

# **EXHIBIT 3**

Deposition of Designee of AffinityLifeStyles.Com,  
Inc. d/b/a Real Alkalized Water (Blain Jones)

# Condensed Transcript of the Testimony of

## **Blain Jones** Volume I

**Date:** October 20, 2016

Grecia Echevarria-Hernandez v. Affinitylifestyles.com, Inc.  
Case No. 2:16-cv-00943-GMN-VCF

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1 UNITED STATES DISTRICT COURT 2 DISTRICT OF NEVADA 3 GRECIA ) 4 ECHEVARRIA-HERNANDEZ, ) 5 Plaintiff, ) 6 vs. ) No. 2:16-cv-00943-GMN-VCF 7 AFFINITYLIFESTYLES.COM, ) 8 INC. d/b/a REAL ALKALIZED ) 9 WATER, a Nevada ) 10 corporation; DOES I-X; and ) 11 ROE BUSINESS ENTITIES I-X, ) 12 inclusive, ) 13 Defendants. ) 14 15 DEPOSITION OF DESIGNEE 16 OF AFFINITYLIFESTYLES.COM, INC. 17 D/B/A REAL ALKALIZED WATER 18 (Pursuant to FRCP 30(b)(6)) 19 BLAIN JONES 20 Taken on Thursday, October 20, 2016 21 By a Certified Court Reporter 22 At 9:58 a.m. 23 At 8816 Spanish Ridge Avenue 24 Las Vegas, Nevada 25 Reported by: MARY COX DANIEL, FAPR, RDR, CRR, CCR 710 Job No. 19027			1 INDEX X 2 WITNESS: BLAIN JONES 3 PAGE 4 Examination By Ms. Barraza 5 5 Examination By Ms. Ginapp 208 6 7 INDEX TO EXHIBITS 8 Exhibit Page 9 1 Plaintiff's Amended Notice of 8 Taking Deposition of 10 Designee(s) of Defendant Affinitylifestyles.com, Inc. 11 d/b/a Real Alkalized Water Pursuant to Fed. R. Civ. P. 30(b)(6) 12 2 Employment Agreements, Bates 23 labeled RW-000016-28 13 3 Defendant's Responses to 66 Plaintiff's First Set of Requests for Admission 14 4 "Message to Garcia" Video 72 Review, Bates labeled RW-000031-32 15 5 "The Way to Happiness" Video 81 Review, Bates labeled RW-000034-35 16 6 Real Alkalized Water 92 Non-Optimum Reports, Bates labeled PLTF00001-6 17 7 Real Water Course Memo, Bates 127 labeled RW-000060-64 18 19 20 21 22 23 24 25		
Page 2			Page 4		
1 APPEARANCES: 2 For Plaintiff: 3 MAIER GUTIERREZ AYON 4 BY: DANIELLE J. BARRAZA, ESQ. 5 8816 Spanish Ridge Avenue Las Vegas, NV 89148 6 7 For Defendants: 8 LEWIS, BRISBOIS, BISGAARD & SMITH, LLP 9 BY: KRISTOL BRADLEY GINAPP, ESQ. 10 6385 South Rainbow Boulevard 11 Suite 600 12 Las Vegas, NV 89118 13 14 15 16 17 18 19 20 21 22 23 24 25			1 (Exhibits Continued) 2 8 Portions of Basic Study Manual 146 Course, L. Ron Hubbard, beginning with Bates label RW-000149 3 4 9 Formulas for Business Success, 167 Bates labeled RW-000828-001115 5 10 Speaking from Experience, 176 Illustrated Solutions to the 6 Business Problems You Face Every Day, Bates labeled RW-001306-1312 7 11 New Game, All Manager, "The 181 10X Club," Bates labeled PLTF00013 8 12 Charge of Discrimination, 186 Bates labeled RW-000067-68 9 13 Portions of Employee Handbook, 201 beginning with Bates label RW-000121 10 14 Basic Study Manual Course, L. 208 Ron Hubbard (not Bates labeled) 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25		

<p style="text-align: right;">Page 5</p> <p>1 (A discussion was held off the record between the court    2 reporter and counsel, wherein counsel present agreed to    3 waive the reporter requirements as set forth under NRCP    4 Rule 30(b)(4) or FRCP Rule 30(b)(5), as applicable.)    5                   BLAIN JONES,    6 having been first duly sworn to testify to the truth,    7 the whole truth and nothing but the truth, was examined    8 and testified as follows:    9</p> <p>10                   EXAMINATION    11 BY MS. BARRAZA:</p> <p>12 Q Can you please state and spell your last name    13 for the record?</p> <p>14 A <b>Jones, J-O-N-E-S.</b></p> <p>15 Q Please give me your full name. Sorry about    16 that.</p> <p>17 A <b>Okay. Blain, B-L-A-I-N, Jones, J-O-N-E-S.</b></p> <p>18 Q Thank you.</p> <p>19 Mr. Jones, have you ever had your deposition    20 taken before?</p> <p>21 A <b>No.</b></p> <p>22 Q I'm going to go through a few things. Your    23 attorney might have already gone through them with you,    24 but just very briefly.</p> <p>25 Do you understand that the oath you just took</p>	<p>1 today?</p> <p>2 A <b>No.</b></p> <p>3 Q Is there any other reason why you would not be    4 able to give me your full, complete, and truthful    5 answers to my questions today?</p> <p>6 A <b>No.</b></p> <p>7 Q From time to time, your counsel is going to    8 put objections onto the record. Unless she    9 specifically instructs you not to answer, I'm still    10 going to expect you to answer the question. Do you    11 understand that?</p> <p>12 A <b>Uh-huh.</b></p> <p>13 Q Okay. You're here today as the designee for    14 Real Water -- and when I say "Real Water," I'm    15 referring to the Defendant in this action -- also known    16 as Affinitylifestyles.com, Inc., doing business as Real    17 Alkalized Water. Do you understand that?</p> <p>18 A <b>Yes.</b></p> <p>19 Q Do you understand that the answers you give me    20 today, unless you or I indicate otherwise, are going to    21 be on behalf of Real Water and they will bind the    22 company?</p> <p>23 A <b>Uh-huh.</b></p> <p>24 Q Is that a "yes"?</p> <p>25 A <b>Yes.</b></p>
<p style="text-align: right;">Page 6</p> <p>1 is the same oath that you would take as if you were in    2 a court, meaning you're subject to the penalties of    3 perjury?</p> <p>4 A <b>Yes.</b></p> <p>5 Q So all we're asking you to do today is tell    6 the truth, not to speculate, just to give your best    7 testimony based on the recollection of the events in    8 question. Do you understand that?</p> <p>9 A <b>Yes.</b></p> <p>10 Q Okay. Please wait for me to finish each    11 question before you start answering, and I'm going to    12 try my best to wait for you to completely finish your    13 answer before going on to another question, as we have    14 a court reporter here and it's very difficult for her    15 to write down what we're saying if we're talking other    16 each other. Do you --</p> <p>17 A <b>Okay.</b></p> <p>18 Q -- understand that?</p> <p>19 A <b>Sounds good.</b></p> <p>20 Q Good, there we go.</p> <p>21 Can we agree that if you answer a question,    22 you understood the question?</p> <p>23 A <b>Sure.</b></p> <p>24 Q Are you currently on any medications that    25 would affect your ability to give accurate testimony</p>	<p style="text-align: right;">Page 8</p> <p>1 MS. BARRAZA: This is Exhibit 1.    2 (Exhibit 1 marked)</p> <p>3 BY MS. BARRAZA:</p> <p>4 Q Do you recognize this document?</p> <p>5 A <b>Yes. Uh-huh.</b></p> <p>6 Q Okay. I've given you Exhibit 1, which is    7 marked as Plaintiff's Amended Notice of Taking    8 Deposition of Designee of Defendant Real Water. Is    9 that what you understand this document to be?</p> <p>10 A <b>Yes.</b></p> <p>11 Q Okay. When did you first get notice regarding    12 this deposition for Real Water?</p> <p>13 MS. GINAPP: Are you asking for communications    14 with his attorney?</p> <p>15 MS. BARRAZA: No.</p> <p>16 BY MS. BARRAZA:</p> <p>17 Q I'm asking when, approximately which date you    18 first became aware that Real Water was going to be    19 deposed in this matter?</p> <p>20 A <b>Soon after this was filed.</b></p> <p>21 Q Okay. I understand there have been a few    22 notices.</p> <p>23 I'm going to point you to page 2 of Exhibit 1.</p> <p>24 Do you see that there's a list, which goes on to page    25 3, of subjects laid out on those pages?</p>

<p style="text-align: right;">Page 9</p> <p>1    <b>A</b> <b>Yep, I do.</b></p> <p>2    Q Have you read and reviewed all 17 of those</p> <p>3    subjects?</p> <p>4    <b>A</b> <b>Yes.</b></p> <p>5    Q Are you prepared to testify here today</p> <p>6    regarding all 17 of those subjects?</p> <p>7    <b>A</b> <b>Yes.</b></p> <p>8    Q Are there any subjects that you feel you are</p> <p>9    not prepared to testify on?</p> <p>10   <b>A</b> <b>No.</b></p> <p>11   Q Okay. Have you ever been arrested for any</p> <p>12   crimes involving fraud or dishonesty?</p> <p>13   <b>A</b> <b>No.</b></p> <p>14   Q Where did you go to high school?</p> <p>15   <b>A</b> <b>First three years were in Ojai, California, at</b></p> <p>16 <b>Nordhoff High School. And my senior year where I</b></p> <p>17 <b>graduated was Boulder City High School.</b></p> <p>18   Q What year was that?</p> <p>19   <b>A</b> <b>Graduated in 2005.</b></p> <p>20   Q Did you go to college after high school?</p> <p>21   <b>A</b> <b>I did some college at a community college in</b></p> <p>22 <b>Ventura, called Ventura College. And then I also did</b></p> <p>23 <b>some at College of Southern Nevada.</b></p> <p>24   Q What kind of courses did you take?</p> <p>25   <b>A</b> <b>Business management, and obviously</b></p>	<p style="text-align: right;">Page 11</p> <p>1    <b>ordering materials, running the production crews,</b></p> <p>2 <b>getting the orders delivered.</b></p> <p>3    <b>I then was needed to help in accounting. And</b></p> <p>4 <b>so I took over the accounting for a year and a half,</b></p> <p>5 <b>two years. And then ended up finding a replacement for</b></p> <p>6 <b>me for that, and became the vice president of</b></p> <p>7 <b>operations, which in our -- my company is over</b></p> <p>8 <b>accounting, production and quality control. And I</b></p> <p>9 <b>oversaw those areas of the company.</b></p> <p>10   <b>At that point, I was doing that for a year,</b></p> <p>11 <b>maybe two. And then I moved over to doing sales, and</b></p> <p>12 <b>was over our sales and distributors for the company for</b></p> <p>13 <b>nine months or so. And shortly after that, became more</b></p> <p>14 <b>involved with the marketing and doing in-store</b></p> <p>15 <b>demonstrations throughout central, and northern</b></p> <p>16 <b>California, southern California, Arizona, New Mexico,</b></p> <p>17 <b>Colorado, where I actually personally did in-store</b></p> <p>18 <b>demonstrations, probably over 300 or so of those. I</b></p> <p>19 <b>also oversaw other product demonstrators that would be</b></p> <p>20 <b>in stores and traveling and doing those. And then did</b></p> <p>21 <b>that for a little over a year.</b></p> <p>22   <b>And then at that point, I moved back over to</b></p> <p>23 <b>operations because it was needed at that time, and took</b></p> <p>24 <b>over the accounting, production, and quality control</b></p> <p>25 <b>aspects of the company again. And did that for -- I</b></p>
<p style="text-align: right;">Page 10</p> <p>1    <b>prerequisites, and that type of thing, too.</b></p> <p>2    Q Okay. Did you graduate from either Ventura</p> <p>3    College or CSN?</p> <p>4    <b>A</b> <b>No, I never finished my degree.</b></p> <p>5    Q What year was your last year of attending</p> <p>6    college courses?</p> <p>7    <b>A</b> <b>2009.</b></p> <p>8    Q When did you start working for Real Water?</p> <p>9    <b>A</b> <b>I started working for Affinity Lifestyles when</b></p> <p>10 <b>I was 12 or 13 after school.</b></p> <p>11   Q Okay. Going forward, if you refer to</p> <p>12 Affinity Lifestyles, you're talking about the Defendant</p> <p>13 in this action?</p> <p>14   <b>A</b> <b>Correct. Affinitylifestyles.com, Inc. is the</b></p> <p>15 <b>legal name of the company.</b></p> <p>16   Q Okay. Briefly explain to me your work history</p> <p>17 with Real Water.</p> <p>18   <b>A</b> <b>Well, when we started going by Real Water, was</b></p> <p>19 <b>a little over eight years ago. I started by working on</b></p> <p>20 <b>the production line as just a single employee on the</b></p> <p>21 <b>production line. I then ended up needing to</b></p> <p>22 <b>familiarize myself with the bottling equipment and</b></p> <p>23 <b>being able to run that. Became the lead of the</b></p> <p>24 <b>production team that would run the line. I then became</b></p> <p>25 <b>the head over the production division, which is</b></p>	<p style="text-align: right;">Page 12</p> <p>1    <b>don't know, nine months to a year.</b></p> <p>2    <b>And then currently -- and then moved up to my</b></p> <p>3 <b>current position which is the executive vice president</b></p> <p>4 <b>of operations, which is pretty much over the whole</b></p> <p>5 <b>entire company, but my main focus is still operations.</b></p> <p>6    Q When did you move into your current position</p> <p>7 of executive vice president of operations?</p> <p>8    <b>A</b> <b>Two years ago, thereabouts.</b></p> <p>9    Q Who do you report to in your current position?</p> <p>10   <b>A</b> <b>Brent Jones.</b></p> <p>11   Q Aside from your history of going to Ventura</p> <p>12 College and CSN, are you involved in any other -- are</p> <p>13 you involved in any professional associations?</p> <p>14   <b>A</b> <b>Can you clarify as far as what a professional</b></p> <p>15 <b>association is?</b></p> <p>16   Q Just professional -- are you involved in any</p> <p>17 kind of business associations aside from working at</p> <p>18 Real Water?</p> <p>19   MS. GINAPP: I'm going to object to form. Go</p> <p>20 ahead.</p> <p>21   THE WITNESS: Are you asking if I have another</p> <p>22 job? I'm not sure what you're asking.</p> <p>23 BY MS. BARRAZA:</p> <p>24   Q Are you currently involved in any kind of</p> <p>25 groups or associations that are business oriented?</p>

<p style="text-align: right;">Page 13</p> <p>1 MS. GINAPP: Objection. Form. Go ahead.</p> <p>2 THE WITNESS: I can't think of any. Running</p> <p>3 my own business takes up quite a bit of time.</p> <p>4 BY MS. BARRAZA:</p> <p>5 Q What did you do, besides any communications</p> <p>6 you had with your attorney, to prepare for your</p> <p>7 deposition today?</p> <p>8 <b>A Reviewed certain employment histories; obviously, reviewed the -- what happened with, particular with Grecia, and what happened with her because I wasn't involved with the decision-making process at the time she was terminated, and so I had to review the findings and evidence of why she was terminated; and reviewed some of our employment agreements and type of legal documentation that we get from our human resources company.</b></p> <p>17 Q Have you reviewed the Complaint that was filed for this lawsuit?</p> <p>19 <b>A Yes.</b></p> <p>20 Q Okay. What's your understanding of what the allegations are in that Complaint?</p> <p>22 MS. GINAPP: Objection. Form. Foundation.</p> <p>23 Go ahead.</p> <p>24 THE WITNESS: Religious discrimination, citing a movie, "The Secret."</p>	<p style="text-align: right;">Page 15</p> <p>1 Q Besides any conversations that took place with your attorney, have you spoken with Aimee Jones regarding her deposition?</p> <p>4 <b>A Just briefly, a couple things.</b></p> <p>5 Q What did she tell you?</p> <p>6 A She felt it was odd asking about her personal relationship with my father, as far as some of the questions in that. And then she also said that it went fine other than that.</p> <p>10 Q Same question: Aside from any conversations that took place with your attorney present, have you spoken with Frank Consiglio regarding his deposition?</p> <p>13 A Briefly, yes.</p> <p>14 Q What did he tell you?</p> <p>15 A Same thing. He said it went fine, minus the questions about his personal life.</p> <p>17 Q Okay. Did either of them give you any substantive details about what they testified to at their depositions?</p> <p>20 A No, not particularly.</p> <p>21 Q Okay. When was Real Water formed?</p> <p>22 A <b>Affinitylifestyles.com, Inc., was formed, I think, around 2000. Actually, earlier than that, maybe 1998, if I remember correctly. We filed for "the doing business as," fictitious firm name "Real Water" eight</b></p>
<p style="text-align: right;">Page 14</p> <p>1 BY MS. BARRAZA:</p> <p>2 Q Have you reviewed the written discovery that was propounded on Real Water? When I say "written discovery," I'm talking about questions that were asked to Real Water in this litigation.</p> <p>6 <b>A I'm not sure I understand exactly what you're referring to.</b></p> <p>8 Q Do you recall any interrogatories or Requests for Admissions or Requests for Production of documents that were propounded on Real Water?</p> <p>11 <b>A Yeah, I'm familiar with the requests. I'm not extremely familiar with the actual forms, what everything was asked, and everything like that. But I am familiar that there was a request for some documents.</b></p> <p>16 Q In your preparation for this deposition, did you review any of Real Water's responses to those requests?</p> <p>19 <b>A I reviewed what was submitted --</b></p> <p>20 Q Did you review --</p> <p>21 <b>A -- what documents were submitted.</b></p> <p>22 Q Okay. Have you reviewed any of the deposition transcripts from Aimee Jones' deposition or from Frank Consiglio's deposition?</p> <p>25 <b>A No.</b></p>	<p style="text-align: right;">Page 16</p> <p>1 <b>years ago, or something like that.</b></p> <p>2 Q Briefly describe for me the business model and purpose of Real Water.</p> <p>4 MS. GINAPP: Objection. Form.</p> <p>5 THE WITNESS: Prior to us filing and starting doing business as Real Water, or after?</p> <p>7 BY MS. BARRAZA:</p> <p>8 Q Let's go with prior.</p> <p>9 <b>A Prior we were an online internet marketing sales company with vitamins, nutrients, weight loss products, health products basically. An individual would go online, place an order. We would take their order and ship them their various products that they ordered. We had around 20 -- anywhere between 20 and 30 products at any given time over that period.</b></p> <p>16 We then transitioned to being more of a -- well, basically we would buy those products from manufacturers and then, you know, resale them. When we started doing Real Water, we transitioned to being a manufacturer where we actually manufactured our own products, and got rid of the business of the other vitamins sales and health product sales, and switched our business model completely over to being a manufacturer and selling to main-line distributors through conventional channels.</p>

<p style="text-align: right;">Page 17</p> <p>1 Q Aside from Brent Jones, who else was involved 2 in forming the company originally?</p> <p>3 <b>A There was a few people that were around in the 4 beginning. However, I don't know of many of them since 5 it was such a long time ago. I do know of one 6 gentleman -- his name is Steve Wright -- that was 7 around in the beginning. That was nearly 20 years ago 8 now.</b></p> <p>9 Q How many employees did Real Water have when it 10 first -- back when it first started out?</p> <p>11 MS. GINAPP: Objection. Form. Are you 12 talking about when it was Affinity Lifestyles?</p> <p>13 MS. BARRAZA: Yes, I'm talking about when it 14 was Affinity Lifestyles.</p> <p>15 THE WITNESS: I'm not sure --</p> <p>16 MS. GINAPP: I'm going to object as beyond the 17 scope of the deposition notice. But if you know, you 18 can answer.</p> <p>19 THE WITNESS: I don't know. That's over -- 20 about 20 years ago.</p> <p>21 BY MS. BARRAZA:</p> <p>22 Q Okay. What about in the year 2015, how many 23 employees did Real Water have?</p> <p>24 <b>A 40s, in that range.</b></p> <p>25 Q Were all the employees located in Las Vegas,</p>	<p style="text-align: right;">Page 19</p> <p>1 position, vice president of operations. And then we 2 have the executive vice president of operations. I 3 hold the executive vice president of operations 4 position. Frank Consiglio holds the vice president of 5 operations currently.</p> <p>6 BY MS. BARRAZA:</p> <p>7 Q Okay. In 2015, were there any other just 8 vice presidents of operations?</p> <p>9 <b>A I believe Aimee held that position at that 10 time.</b></p> <p>11 Q Anybody else?</p> <p>12 <b>A Not that I recall.</b></p> <p>13 Q Okay. When did you first meet Grecia?</p> <p>14 <b>A Probably when she was brought around for her 15 orientation checklist. The company, when she -- 16 shortly around when she first started working, I was 17 introduced to her, said "hello." And that was pretty 18 much the extent of the conversation. Part of our 19 procedure when we hire somebody is, we want them to be 20 introduced to as many people as possible and make them 21 feel welcome.</b></p> <p>22 Q Are you aware of who interviewed Grecia for 23 her position at Affinity Lifestyles?</p> <p>24 <b>A I believe it was somewhat of a combination 25 between Jeramy Edgel mostly and Bonnie Mercado.</b></p>
<p style="text-align: right;">Page 18</p> <p>1 Nevada, or elsewhere?</p> <p>2 <b>A Employees of Affinity Lifestyles, yes, all of 3 them were located in Las Vegas, Nevada, during that 4 time period.</b></p> <p>5 Q Time period being 2015; correct?</p> <p>6 <b>A Correct.</b></p> <p>7 Q In 2015, how many locations did Real Water 8 have?</p> <p>9 <b>A Business locations?</b></p> <p>10 Q Yes.</p> <p>11 <b>A Affinity Lifestyles had the one location in 12 Las Vegas, Nevada, on Desert Inn Road.</b></p> <p>13 Q Since then, has it acquired any other 14 locations?</p> <p>15 <b>A No.</b></p> <p>16 Q So am I correct that back in 2015, you were 17 employed in what is your current position, being the 18 vice president of operations?</p> <p>19 <b>A Correct.</b></p> <p>20 MS. GINAPP: Objection. Form. You're the 21 executive vice president; right?</p> <p>22 THE WITNESS: Yes.</p> <p>23 MS. GINAPP: Okay. I just want to make a 24 distinction, because I think there is one; right?</p> <p>25 THE WITNESS: Yeah, there is. We have one</p>	<p style="text-align: right;">Page 20</p> <p>1 Q Are you familiar with what Grecia's job 2 position was?</p> <p>3 <b>A Very familiar.</b></p> <p>4 Q What was her position?</p> <p>5 <b>A She was one of our in-store product 6 demonstrators. She would be asked to travel to stores 7 that would sell our product, or that do sell our 8 product, and basically demonstrate the product to 9 customers and also the staff that worked at that 10 individual retail store educating them on the product, 11 having them try it, taste it, and, in essence, you 12 know, trying to get them to buy the product, and 13 understand why it's a good product.</b></p> <p>14 Q Is a store product demonstrator also known as 15 a brand ambassador?</p> <p>16 <b>A Yes, similar title.</b></p> <p>17 Q Do you know who Grecia's supervisor was while 18 she was working at Affinity Lifestyles?</p> <p>19 <b>A Bonnie Mercado.</b></p> <p>20 Q What was Bonnie Mercado's job title at that 21 time?</p> <p>22 <b>A Head brand ambassador, something in that 23 regard. She would also do in-store demonstrations, but 24 she oversaw Grecia as well, made her schedule, ensured 25 that she was doing her job adequately.</b></p>

<p style="text-align: right;">Page 21</p> <p>1 Q When did Bonnie Mercado start working at 2 Affinity Lifestyles?</p> <p>3 <b>A I believe she's been with us for almost four 4 years now.</b></p> <p>5 Q Do you know if Bonnie Mercado started out as a 6 brand ambassador?</p> <p>7 <b>A I do, and she did.</b></p> <p>8 Q Do you know approximately when Bonnie Mercado 9 moved into the position of the head brand ambassador?</p> <p>10 <b>A Two or three years ago, shortly -- or somewhat 11 shortly after she had started. She does an excellent 12 job at being a brand ambassador and demonstrating in 13 the stores. She's great with customers, very friendly, 14 approachable, and she does a great job.</b></p> <p>15 Q In 2015, how many brand ambassadors were 16 employed at Affinity Lifestyles?</p> <p>17 <b>A Over the whole time period of the year?</b></p> <p>18 Q Yes.</p> <p>19 <b>A On and off, there were, I think, about three 20 or four. Not all at the same time, but throughout that 21 whole year-long time period.</b></p> <p>22 Q Aside from Grecia -- you understand when I say 23 "Grecia," I'm referring to the Plaintiff in this 24 action?</p> <p>25 <b>A Yeah.</b></p>	<p style="text-align: right;">Page 23</p> <p>1 <b>A Coordinating with her with different store 2 chains or retail locations that we were wanting to 3 focus on to grow sales in; and at times opening up 4 different areas of, say, southern California, or some 5 other area of distribution; and making sure that the 6 product demonstrations were actually resulting in 7 increase in sales.</b></p> <p>8 Q You mentioned that you first met Grecia around 9 the time she was doing her orientation; is that 10 correct?</p> <p>11 <b>A Yes.</b></p> <p>12 Q After that, how much contact did you have with 13 Grecia in the workplace?</p> <p>14 <b>A Nothing.</b></p> <p>15 Q You never saw her again after that day?</p> <p>16 <b>A I might have seen her once, maybe twice, over 17 the time period that she was there. I don't think I 18 ever said anything to her, or we ever had a 19 conversation more than "hello."</b></p> <p>20 Q Have you had any contact or attempted to have 21 any contact with Grecia following her termination from 22 Real Water?</p> <p>23 <b>A No.</b></p> <p>24 MS. BARRAZA: Let's mark this as Exhibit 2. 25 (Exhibit 2 marked)</p>
<p style="text-align: right;">Page 22</p> <p>1 Q Okay. Aside from Grecia, can you give me the 2 names of the other brand ambassadors from 2015?</p> <p>3 <b>A I don't recall their names right now. I would 4 have to look up our employment history to know 5 specifically.</b></p> <p>6 Q Do you know if any of the brand ambassadors 7 that were working in 2015 are still currently working 8 for Real Water?</p> <p>9 <b>A Bonnie.</b></p> <p>10 Q Anybody else?</p> <p>11 <b>A No.</b></p> <p>12 Q Were all three or four of the brand 13 ambassadors working in 2015 being supervised by Bonnie 14 Mercado?</p> <p>15 <b>A Yes. She held the position of lead brand 16 ambassador, the manager of the brand ambassadors.</b></p> <p>17 Q Did Bonnie Mercado supervise anybody else 18 aside from the brand ambassadors?</p> <p>19 <b>A No.</b></p> <p>20 Q In 2015, who did Bonnie Mercado report to?</p> <p>21 <b>A Jeramy Edgel.</b></p> <p>22 Q What was his job title at that time?</p> <p>23 <b>A At that time, he was our director of sales.</b></p> <p>24 Q What were his duties as far as supervising 25 Bonnie Mercado?</p>	<p style="text-align: right;">Page 24</p> <p>1 BY MS. BARRAZA:</p> <p>2 Q I just handed you what's been marked as 3 Exhibit 2. I'll give you a second to look through it. 4 Let me know when you're done.</p> <p>5 <b>A Okay.</b></p> <p>6 Q Okay. It looks like to me in this packet, 7 there are two marked employment agreements.</p> <p>8 <b>A Uh-huh.</b></p> <p>9 Q Is that your understanding?</p> <p>10 <b>A Yes.</b></p> <p>11 Q Are these employment agreements that Grecia 12 signed and reviewed?</p> <p>13 <b>A Seems to be by her initials and signature at 14 each location.</b></p> <p>15 Q I'm going to start with the document marked as 16 the employment agreement on page RW-16.</p> <p>17 In 2015, when do Real Water employees sign 18 these agreements? Is it their first day at work?</p> <p>19 <b>A Before they start; correct.</b></p> <p>20 Q Okay. Would this be the first thing they 21 would do when they come in for the first day?</p> <p>22 <b>A Depends on what part of the hiring process.</b></p> <p>23 <b>There's usually the application and interview process 24 where they'll fill out an application. And that would 25 usually be the first thing that they do when they come</b></p>

<p style="text-align: right;">Page 25</p> <p>1 <b>into the office for the first time. But once they are</b>    2 <b>selected as someone that we actually do want to hire,</b>    3 <b>this is one of the first documents that they are given</b>    4 <b>to review.</b></p> <p>5 Q In 2015, was Real Water only accepting written    6 applications, or did it also accept online applications    7 for employment?</p> <p>8 <b>A Written.</b></p> <p>9 Q Do you know how Grecia came to be hired at    10 Real Water?</p> <p>11 <b>A I believe she replied to an online ad that was</b>    12 <b>posted, and she was one of a few candidates, and went</b>    13 <b>through an interview process.</b></p> <p>14 Q Who interviewed her?</p> <p>15 <b>A Most likely, the initial stages were done by</b>    16 <b>Clare LaHara, or whoever was in charge of human</b>    17 <b>resources, and then Jeramy Edgel probably took over at</b>    18 <b>that point to get more in-depth questions answered as</b>    19 <b>it pertained to the specific job position that was</b>    20 <b>being offered.</b></p> <p>21 Q Did Clare LaHara or Jeramy Edgel personally    22 know Grecia prior to her applying for the position at    23 Real Water?</p> <p>24 <b>A Not to my knowledge.</b></p> <p>25 MS. GINAPP: Objection. Form. Foundation.</p>	<p style="text-align: right;">Page 27</p> <p>1 <b>A Last spring, late spring, somewhere in there.</b>    2 Q Are you talking about late spring 2015?</p> <p>3 <b>A No, of this year.</b>    4 Q Okay, 2016.</p> <p>5 Does Clare LaHara still work at Real Water?</p> <p>6 <b>A No.</b>    7 Q Do you have any contact information for Clare    8 LaHara?</p> <p>9 <b>A I believe I have her phone number still.</b>    10 Q Why did Clare LaHara leave employment for    11 Real Water?</p> <p>12 <b>A She decided she wanted to move back to the</b>    13 <b>east coast to be closer to her children.</b></p> <p>14 Q Okay. What about Melissa Nava, how long was    15 she in the HR department at Real Water?</p> <p>16 <b>A Nine months to a year, somewhere around that</b>    17 <b>time period, before she was working as a sales</b>    18 <b>assistant.</b></p> <p>19 Q Approximately when did Melissa Nava leave her    20 position as an HR representative for Real Water?</p> <p>21 <b>A Around the spring of 2015.</b></p> <p>22 Q Do you know if it was before or after Clare --    23 it was before Clare LaHara, correct, left?</p> <p>24 <b>A No, because Clare wasn't the head person over</b>    25 <b>human resources. She was just somebody that would</b></p>
<p style="text-align: right;">Page 26</p> <p>1 BY MS. BARRAZA:</p> <p>2 Q Okay. Who made the decision that Grecia was    3 going to be hired?</p> <p>4 <b>A It was probably a consensus among Jeramy Edgel</b>    5 <b>and the person in charge of human resources at the</b>    6 <b>time. But most likely, Jeramy has the most weight in</b>    7 <b>regards to that decision because it's an employee that</b>    8 <b>will be working under him.</b></p> <p>9 Q All right. I think you mentioned that back    10 when Grecia was hired, Clare LaHara was the HR    11 representative for Real Water; is that correct?</p> <p>12 <b>A Uh-huh. She did work in the human resources</b>    13 <b>division, but she wasn't the only one that was there.</b>    14 <b>She helped with paperwork, and different things like</b>    15 <b>that. But we had another person, Melissa Nava, that</b>    16 <b>was there as well that did more of the submitting --</b>    17 <b>posting job ads, our job ads, handling responses to the</b>    18 <b>job ads, reviewing resumés, selecting the people to</b>    19 <b>pass on to the next round of interviews, that type of</b>    20 <b>thing.</b></p> <p>21 Q Okay. How long was Clare LaHara in the HR    22 department at Real Water?</p> <p>23 <b>A Around a year.</b></p> <p>24 Q Do you know approximately when she left that    25 position?</p>	<p style="text-align: right;">Page 28</p> <p>1 <b>help.</b>    2 Q Okay. What was Clare's -- did Clare have a    3 specific job title in 2015?</p> <p>4 <b>A I don't recall what her specific title was.</b>    5 <b>She would facilitate and help things in the human</b>    6 <b>resources department. She would also help facilitate</b>    7 <b>in other areas of the company depending on what we</b>    8 <b>needed.</b></p> <p>9 Q In 2015, at the time Grecia was hired, was any    10 employee of Real Water specifically designated as a    11 human resources --</p> <p>12 <b>A Melissa Nava.</b>    13 Q Okay.</p> <p>14 MS. GINAPP: Make sure you let her finish her    15 question.</p> <p>16 THE WITNESS: Okay.</p> <p>17 BY MS. BARRAZA:</p> <p>18 Q -- specifically designated as the human    19 resources department representative?</p> <p>20 <b>A Melissa Nava.</b>    21 MS. GINAPP: You have to remember lawyers    22 might change it up at the end.</p> <p>23 BY MS. BARRAZA:</p> <p>24 Q I think you mentioned that Melissa Nava left    25 the HR department in approximately the spring of 2015;</p>

<p>Page 29</p> <p>1 is that correct?</p> <p>2 <b>A Yes.</b></p> <p>3 Q Did she leave the whole company at that time</p> <p>4 as well?</p> <p>5 <b>A Correct.</b></p> <p>6 Q Why did she leave the company?</p> <p>7 <b>A She had a newborn baby, and wanted to dedicate</b></p> <p>8 <b>more of her time to starting a family.</b></p> <p>9 Q Do you have Melissa Nava's contact</p> <p>10 information?</p> <p>11 <b>A Possibly. I could look it up. I don't know</b></p> <p>12 <b>if it's current.</b></p> <p>13 Q Okay. So after Melissa Nava left in the</p> <p>14 spring of 2015, which employee of Real Water stepped</p> <p>15 into the human resources department?</p> <p>16 <b>A We then hired somebody -- I don't think it was</b></p> <p>17 <b>immediately, like the next day after, but with some</b></p> <p>18 <b>time passing -- Christian Pantelakis.</b></p> <p>19 Q Had Christian Pantelakis already been working</p> <p>20 at Real Water prior to that, or did she get hired just</p> <p>21 to start out working in the HR department?</p> <p>22 <b>A No, she, I believe -- I believe she was</b></p> <p>23 <b>working as my father's assistant, Brent Jones'</b></p> <p>24 <b>assistant.</b></p> <p>25 Q And that was prior to the spring of 2015?</p>	<p>Page 31</p> <p>1 <b>A I have the records she provided at the time,</b></p> <p>2 <b>yes.</b></p> <p>3 Q Looking back to the employment agreement which</p> <p>4 starts on page RW-16, who at Real Water would have</p> <p>5 given this employment agreement to Grecia to review and</p> <p>6 sign?</p> <p>7 <b>A According to the page where it was signed as a</b></p> <p>8 <b>witness, it was Clare LaHara --</b></p> <p>9 Q Okay.</p> <p>10 <b>A -- or, excuse me -- the witness was Jeremy</b></p> <p>11 <b>Edgel, but the human resources designee at the time was</b></p> <p>12 <b>Clare LaHara. So one of them, most likely.</b></p> <p>13 Q For the employment agreement that starts on</p> <p>14 page RW-20, is it your understanding that Jeremy Edgel</p> <p>15 would have been the one to give Grecia that document</p> <p>16 and witness her reviewing it and initialing it?</p> <p>17 MS. GINAPP: Objection. Foundation.</p> <p>18 THE WITNESS: It's possible; correct.</p> <p>19 BY MS. BARRAZA:</p> <p>20 Q In 2015, did Real Water have anybody</p> <p>21 designated to be a person who gives new employees the</p> <p>22 employment agreements?</p> <p>23 <b>A Other than the people we already discussed?</b></p> <p>24 Q Other than Jeremy Edgel?</p> <p>25 <b>A No, he was not the person that was designated</b></p>
<p>Page 30</p> <p>1 <b>A Correct. And then we began to transition her</b></p> <p>2 <b>into that position as we needed somebody.</b></p> <p>3 Q How long was Christian Pantelakis in the HR</p> <p>4 department of Real Water?</p> <p>5 <b>A Six to nine months.</b></p> <p>6 Q Are you aware if Christian Pantelakis was in</p> <p>7 the HR department at the time Grecia was terminated</p> <p>8 from Real Water?</p> <p>9 <b>A I believe she was, yes, at least operating</b></p> <p>10 <b>some of the functions within that division.</b></p> <p>11 Q Aside from Christian Pantelakis, Clare LaHara,</p> <p>12 and Melissa Nava, were there any other employees of</p> <p>13 Real Water in the human resources department at any</p> <p>14 time from March of 2015 through October of 2015?</p> <p>15 <b>A I don't believe so, no.</b></p> <p>16 Q Does Christian Pantelakis still work at</p> <p>17 Real Water?</p> <p>18 <b>A No.</b></p> <p>19 Q When did she leave?</p> <p>20 <b>A Late last year, early this year.</b></p> <p>21 Q Why did she leave Real Water?</p> <p>22 <b>A She quit because she wanted to find other</b></p> <p>23 <b>employment.</b></p> <p>24 Q Do you still have Christian Pantelakis'</p> <p>25 contact information?</p>	<p>Page 32</p> <p>1 <b>the person to give. We discussed the human resources</b></p> <p>2 <b>positions that we had, Melissa Nava, Clare LaHara, and</b></p> <p>3 <b>Christian Pantelakis, throughout that time period.</b></p> <p>4 Q So the human resources department was</p> <p>5 responsible in 2015 for making --</p> <p>6 <b>A Yeah, ultimately they are responsible for</b></p> <p>7 <b>maintaining the records.</b></p> <p>8 Q Okay. I'm wondering -- as you can see here,</p> <p>9 it looks like there are two separate agreements. Do</p> <p>10 you know, why does Real Water have two separate</p> <p>11 documents marked as employment agreements?</p> <p>12 <b>A When Grecia started, it was during a</b></p> <p>13 <b>transition period from the first employment agreement</b></p> <p>14 <b>that is in this exhibit to the next one. And the</b></p> <p>15 <b>people that were having her fill out her paperwork</b></p> <p>16 <b>probably just had her do both by mistake instead of</b></p> <p>17 <b>doing one or the other.</b></p> <p>18 Q What led to Real Water changing its employment</p> <p>19 agreements at this time, around this time?</p> <p>20 <b>A Honestly, most of it is pretty much the same.</b></p> <p>21 <b>However, we did start working with ADP and their human</b></p> <p>22 <b>resources consulting service of TotalSource. And they</b></p> <p>23 <b>reviewed our employment agreement, made it look a</b></p> <p>24 <b>little prettier with adding our logo to it, and that</b></p> <p>25 <b>type of thing.</b></p>

<p style="text-align: right;">Page 33</p> <p>1 Q Okay. So ADP made --</p> <p>2 A <b>They recommended the changes.</b></p> <p>3 Q And we're talking about for the second</p> <p>4 agreement which starts on page RW-20?</p> <p>5 A <b>Correct.</b></p> <p>6 Q Okay. So did Real Water start doing business</p> <p>7 with ADP in 2015?</p> <p>8 A <b>No.</b></p> <p>9 Q When did Real Water start doing business with</p> <p>10 ADP?</p> <p>11 A <b>2009, 2010, thereabouts, with ADP as our</b></p> <p>12 <b>payroll processing company, which is separate from the</b></p> <p>13 <b>service of TotalSource that has human resources</b></p> <p>14 <b>consulting services.</b></p> <p>15 Q When did Real Water start using the</p> <p>16 TotalSource aspect of ADP?</p> <p>17 A <b>I believe it was around 2015. I don't have</b></p> <p>18 <b>the exact date memorized.</b></p> <p>19 Q All right. I want to point your attention to</p> <p>20 Section 3 of the employment agreement, the first one,</p> <p>21 starts on page RW-16. Can you read that to yourself</p> <p>22 and let me know when you're done?</p> <p>23 A <b>Okay.</b></p> <p>24 Q What's your understanding of what Section 3</p> <p>25 states?</p>	<p style="text-align: right;">Page 35</p> <p>1 A <b>Prior to them signing employment agreements?</b></p> <p>2 Q Yes.</p> <p>3 A <b>The procedure -- we don't have any steps in</b></p> <p>4 <b>our hiring procedure where we give them information</b></p> <p>5 <b>about the Management Technology.</b></p> <p>6 Q Okay.</p> <p>7 A <b>If they ask, we are more than happy to answer</b></p> <p>8 <b>any questions, show them anything that they want to</b></p> <p>9 <b>know more about. But, you know, as anybody knows when</b></p> <p>10 <b>they're getting hired for a position, there's usually</b></p> <p>11 <b>lots of paperwork, and people don't like to read books,</b></p> <p>12 <b>and all that kind of stuff, so we don't bombard them</b></p> <p>13 <b>with things at that time other than the legal</b></p> <p>14 <b>requirements that we need.</b></p> <p>15 Q Understood.</p> <p>16 Aside from any potential documents, did</p> <p>17 Real Water have any policy in 2015 regarding verbally</p> <p>18 explaining to new hires exactly what the L. Ron Hubbard</p> <p>19 Management Technology and business system entailed?</p> <p>20 MS. GINAPP: Objection. Form.</p> <p>21 THE WITNESS: Other than what's stated in the</p> <p>22 employment agreement, no, no one was instructed to say</p> <p>23 anything in regards to that. But if someone had a</p> <p>24 question, they were, of course, wanted to or required</p> <p>25 to have the question answered to the best of their</p>
<p style="text-align: right;">Page 34</p> <p>1 MS. GINAPP: Objection. Form. Foundation.</p> <p>2 Go ahead.</p> <p>3 THE WITNESS: Section 3 is informing the</p> <p>4 prospective employee that we use a Management</p> <p>5 Technology or a set of tools and procedures that was</p> <p>6 created by a person named L. Ron Hubbard, and also</p> <p>7 pointing out that he was also the creator of a religion</p> <p>8 called Scientology. However, the Management Technology</p> <p>9 and the religion are quite distinct and separate. And</p> <p>10 it's just laying that out there in the beginning for</p> <p>11 the employee to understand and acknowledge, and being</p> <p>12 up front and honest.</p> <p>13 BY MS. BARRAZA:</p> <p>14 Q At the time that Grecia signed this employment</p> <p>15 agreement back in 2015, had Real Water given Grecia any</p> <p>16 documents reflecting exactly what the Management</p> <p>17 Technology would be?</p> <p>18 A <b>Based on the procedure of our hiring</b></p> <p>19 <b>procedure, most likely not. However, I can't speak for</b></p> <p>20 <b>the event because I wasn't the one doing it myself.</b></p> <p>21 Q Okay. Does Real Water -- back in 2015, did</p> <p>22 Real Water have any kind of policy regarding giving new</p> <p>23 hires any kind of documents which detail exactly what</p> <p>24 the L. Ron Hubbard Management Technology is prior to</p> <p>25 having them sign any employment agreements?</p>	<p style="text-align: right;">Page 36</p> <p>1 ability. And if they couldn't answer the question to</p> <p>2 the person's satisfaction, then, you know, the policy</p> <p>3 was always to have the question answered.</p> <p>4 BY MS. BARRAZA:</p> <p>5 Q Is there any specific reason why Real Water</p> <p>6 felt the need to include Section 3 in its employment</p> <p>7 agreement?</p> <p>8 A <b>Basically to lay out that there is a</b></p> <p>9 <b>difference, and make sure people are aware that there</b></p> <p>10 <b>is a difference between the Management Technology that</b></p> <p>11 <b>we use and the religion of Scientology, because,</b></p> <p>12 <b>unfortunately, sometimes people like to muddy the</b></p> <p>13 <b>waters and think that they're all the same thing when</b></p> <p>14 <b>it's not the truth, that it isn't the same thing.</b></p> <p>15 Q How did Real Water become informed that the</p> <p>16 Management Technology aspect of L. Ron Hubbard's</p> <p>17 teachings is not the same thing as the Scientology</p> <p>18 aspect?</p> <p>19 MS. GINAPP: Objection. Form.</p> <p>20 THE WITNESS: Yeah, can you -- I don't</p> <p>21 understand your question. Can you clarify?</p> <p>22 BY MS. BARRAZA:</p> <p>23 Q Okay. You just explained to me that Section 3</p> <p>24 is included in here because employees don't always</p> <p>25 understand right away that the Management Technology is</p>

<p style="text-align: right;">Page 37</p> <p>1 completely separate from the Scientology aspect of 2 L. Ron Hubbard; is that correct? 3 <b>A Yes.</b> 4 Q How did Real Water come to that understanding 5 itself? 6 MS. GINAPP: Objection. Form. 7 THE WITNESS: I don't know specifically. The 8 company has been around for almost 20 years now. And I 9 think it was probably something during the beginning 10 forming ages possibly, or -- I can't speak of exact 11 time and place when we -- when the company became aware 12 of that. 13 BY MS. BARRAZA: 14 Q Do you know of anybody who would be able to 15 testify about that? 16 <b>A Possibly Brent Jones.</b> 17 Q Okay. I want to point you to -- I guess we'll 18 call it the second employment agreement, which starts 19 on page RW-20, specifically Section 3 and Section 4. 20 I'll let you read those to yourself. 21 Let me know when you're done. 22 <b>A Okay.</b> 23 Q Explain to me what the purpose of Section 3 is 24 on this document. 25 <b>A Similar to Section 3 of the previous document,</b></p>	<p style="text-align: right;">Page 39</p> <p>1 Q Exactly, okay. You're just talking about 2 retail side of promotion? 3 <b>A Sales.</b> 4 Q Okay. Sales, okay. 5 Why in 2015 did Real Water utilize the 6 Management Technology formed by L. Ron Hubbard? 7 <b>A Because the majority of the shareholders and</b> 8 <b>the board of directors determined that it had value,</b> 9 <b>and in being able to help the operations and efficiency</b> 10 <b>of the company.</b> 11 Q What individuals were involved in that 12 decision? 13 <b>A At what time period?</b> 14 Q At the time period that Real Water first 15 decided to implement L. Ron Hubbard's business 16 Management Technology teachings into the company? 17 <b>A Probably Brent Jones and my mother, Lori</b> 18 <b>Jones.</b> 19 Q Approximately what year would that be? 20 <b>A I honestly couldn't say. It was before --</b> 21 <b>definitely longer than 10 years ago.</b> 22 Q Is Brent Jones a practicing Scientologist? 23 <b>A Yes.</b> 24 Q Do you have knowledge of how Brent Jones first 25 became aware of L. Ron Hubbard's Management Technology</p>
<p style="text-align: right;">Page 38</p> <p>1 <b>being up front and honest with the prospective</b> 2 <b>employee, and letting them know that we use the</b> 3 <b>Management Technology of procedures and techniques and</b> 4 <b>tools that was created or founded by L. Ron Hubbard,</b> 5 <b>who is also the founder of Scientology. However, there</b> 6 <b>is a distinct difference, and the Management Technology</b> 7 <b>that we use does not get into the religious aspects of</b> 8 <b>Scientology in any regard.</b> 9 Q What about Section 4? What's the purpose of 10 Section 4? 11 <b>A Giving a very concise and brief explanation of</b> 12 <b>what the Management Technology is, and how it relates</b> 13 <b>to the operations of an organization or company. And</b> 14 <b>the word "promotion" there is not job enhancement. It</b> 15 <b>is getting products known.</b> 16 Q Okay. You're referring to in Section 4, how 17 it states, "Promotion" -- 18 <b>A Yes. Because I know that was one of the</b> 19 <b>allegations in the lawsuit, that's why I just wanted to</b> 20 <b>point it out.</b> 21 Q You're clarifying that that term "Promotion" 22 in Section 4 means "job enhancement"? 23 <b>A No, not "job enhancement."</b> 24 Q Not "job enhancement," okay. 25 <b>A Getting products known.</b></p>	<p style="text-align: right;">Page 40</p> <p>1 system? 2 MS. GINAPP: I'm going to object that it's 3 beyond the scope of the deposition notice. You can 4 answer if you know. 5 THE WITNESS: I believe he attended some 6 business organizational courses at the Hubbard College 7 of Administration in Los Angeles. 8 BY MS. BARRAZA: 9 Q When was that? 10 MS. GINAPP: Same objection. Foundation. 11 THE WITNESS: I don't know. I'm not sure. 12 BY MS. BARRAZA: 13 Q Would you say it's more than 10 years ago? 14 <b>A Most likely, yes.</b> 15 Q More than 20 years ago? 16 <b>A Probably not.</b> 17 Q Okay. Aside from the disclaimers that are 18 made in the two employment agreements we just went 19 over, at the time that Grecia was hired, did anybody 20 verbally explain to her what role, if any, Scientology 21 would have at Real Water? 22 <b>A Of course not, because Scientology did not</b> 23 <b>have any role with her employment at Real Water.</b> 24 Q So there was no verbal discussion whatsoever 25 about Scientology; correct?</p>

<p>Page 41</p> <p>1 MS. GINAPP: Objection. Foundation.</p> <p>2 THE WITNESS: I wasn't there during her hiring</p> <p>3 process, so I can't speak to those events, person.</p> <p>4 BY MS. BARRAZA:</p> <p>5 Q What about -- Real Water has no policy, is</p> <p>6 that correct, regarding having its HR representatives</p> <p>7 give any kind of verbal discussions about Scientology;</p> <p>8 is that correct?</p> <p>9 MS. GINAPP: Objection. Form.</p> <p>10 THE WITNESS: To initiate conversations?</p> <p>11 BY MS. BARRAZA:</p> <p>12 Q Correct.</p> <p>13 A <b>No, They're not supposed to do that.</b></p> <p>14 Q What about if a new hire, after reviewing the</p> <p>15 employment agreement, were to bring up any concerns</p> <p>16 about Scientology at that time?</p> <p>17 MS. GINAPP: Objection. Incomplete</p> <p>18 hypothetical. Form. Foundation. Go ahead.</p> <p>19 THE WITNESS: They were instructed to answer</p> <p>20 any questions that a new hire might have in regards to</p> <p>21 their employment from job description, pay, what</p> <p>22 they're going to be doing, anything that consists in</p> <p>23 this employment agreement, and make sure that that</p> <p>24 person understands exactly what they're agreeing to, to</p> <p>25 the best of their ability, should the applicant have</p>	<p>Page 43</p> <p>1 Q I'm referring to -- are you aware of any</p> <p>2 Real Water new hire who came in and reviewed the</p> <p>3 employment agreements and then posed a question</p> <p>4 regarding Scientology after reading them?</p> <p>5 A <b>No, not aware of it.</b></p> <p>6 Q Okay. I want to point your attention to</p> <p>7 Section 8 of the first employment agreement, which is</p> <p>8 on page RW-18. Let me know when you're done reading</p> <p>9 that to yourself.</p> <p>10 THE WITNESS: What's the policy on bathroom</p> <p>11 breaks?</p> <p>12 MS. GINAPP: Do you need one?</p> <p>13 THE WITNESS: I'd like one.</p> <p>14 MS. BARRAZA: That's fine. There's no</p> <p>15 question, so that's fine.</p> <p>16 (Recess)</p> <p>17 BY MS. BARRAZA:</p> <p>18 Q Before we went on break, I asked you to read</p> <p>19 Section 8 of the first employment agreement located on</p> <p>20 page RW-18. Have you had time to do that?</p> <p>21 A <b>No.</b></p> <p>22 Q Go ahead and let me know when you're done.</p> <p>23 MS. GINAPP: Sorry, RW-18?</p> <p>24 MS. BARRAZA: 18.</p> <p>25 THE WITNESS: Okay.</p>
<p>Page 42</p> <p>1 questions.</p> <p>2 BY MS. BARRAZA:</p> <p>3 Q And should the applicant have questions about</p> <p>4 Scientology specifically, would the HR representative</p> <p>5 then report that up the chain, or would they be solely</p> <p>6 responsible for handling it at that time?</p> <p>7 MS. GINAPP: Same objections.</p> <p>8 THE WITNESS: No, they would be -- there was</p> <p>9 no policy of them to report that to any seniors or</p> <p>10 people in the company, no policy in regards to that</p> <p>11 whatsoever. If they could not answer a question that</p> <p>12 was being asked, or did not have the information and</p> <p>13 they could not find that on their own through their own</p> <p>14 research or the documentation that we have, yeah, they</p> <p>15 are wanted to provide the applicant with the</p> <p>16 information as much as possible so they can make an</p> <p>17 informed decision on working at our company. So it's</p> <p>18 possible that at some point at one time or another</p> <p>19 somebody did ask a question in regards to that.</p> <p>20 BY MS. BARRAZA:</p> <p>21 Q Do you have any knowledge of anybody asking</p> <p>22 such a question about Scientology at the time that they</p> <p>23 were reviewing the employment agreement?</p> <p>24 A <b>When you say "somebody," what are you</b></p> <p>25 <b>referring to?</b></p>	<p>Page 44</p> <p>1 BY MS. BARRAZA:</p> <p>2 Q What's the purpose of Section 8 in this</p> <p>3 agreement?</p> <p>4 A <b>To define and express that the staff and</b></p> <p>5 <b>executives of the company are not trying to encroach</b></p> <p>6 <b>upon one's freedom or right to their own beliefs and</b></p> <p>7 <b>their own religion; and that the Management Technology</b></p> <p>8 <b>that is used in the company is not an effort to enforce</b></p> <p>9 <b>or promote religious beliefs upon any of its employees;</b></p> <p>10 <b>and that if they do feel any type of encroachment upon</b></p> <p>11 <b>their beliefs, that they agree and understand that the</b></p> <p>12 <b>policy is to report it in writing to their senior or</b></p> <p>13 <b>supervisor at once.</b></p> <p>14 Q What policies and procedures did Real Water</p> <p>15 have in place in 2015 to prevent any kind of religious</p> <p>16 discrimination from taking place?</p> <p>17 A <b>Other than what's put here in the employment</b></p> <p>18 <b>agreement, it's pretty comprehensive and to the point</b></p> <p>19 <b>of what the procedure was.</b></p> <p>20 Q So there's no other kind of special training</p> <p>21 that took place, or videos, or documents of any sort</p> <p>22 that the employees were given regarding how Real Water</p> <p>23 takes steps to prevent religious discrimination; is</p> <p>24 that correct?</p> <p>25 MS. GINAPP: Objection. Form.</p>

<p style="text-align: right;">Page 45</p> <p>1       THE WITNESS: Other than what's laid out in    2 this employment agreement, in this document, possibly    3 there were times that it was verbally gone over that we    4 don't want to encroach upon someone's freedom of    5 religion, and we need to follow this agreement, but it    6 was always pointing it back to this.</p> <p>7 BY MS. BARRAZA:</p> <p>8       Q Is there any kind of document which would    9 reflect that Real Water has a policy of verbally    10 speaking with its employees regarding Real Water's    11 religious discrimination policies?</p> <p>12       MS. GINAPP: Objection. Misstates testimony.    13 Form.</p> <p>14       THE WITNESS: No. Because, again, this is the    15 document. This is the procedure. This is the policy.</p> <p>16 BY MS. BARRAZA:</p> <p>17       Q Okay. In your review of employment    18 agreements, such as the first two that Grecia signed,    19 did the employment agreements actually lay out what    20 specific courses the employees will have to participate    21 in that have anything to do with L. Ron Hubbard's    22 teachings?</p> <p>23       <b>A Can you clarify --</b></p> <p>24       MS. GINAPP: Objection.</p> <p>25       THE WITNESS: Sorry.</p>	<p style="text-align: right;">Page 47</p> <p>1       <b>checklist is having the new employee watch those films.</b></p> <p>2       Q Okay. Is there any kind of policy as far as    3 whether those films are watched before or after the    4 employees have already signed their employment    5 agreements, back in 2015?</p> <p>6       <b>A I would have to review the exact order of the</b>    7 <b>new hiring checklist. I believe, I feel that they</b>    8 <b>would sign these agreements, then watch the videos.</b></p> <p>9       Q I'm just trying to ascertain whether in 2015,    10 prior to the time the new hires had to sign any kind of    11 employment agreements, they were put on any kind of    12 notice that some of the videos they would have to watch    13 would include "The Secret" or "The Way to Happiness"?</p> <p>14       <b>A No, I don't believe we have any notices,</b>    15 <b>because the order of the procedure is to have them sign</b>    16 <b>the employment agreement so they understand that what</b>    17 <b>they're going to be doing is -- accept all the</b>    18 <b>different parts -- but particularly for this one, since</b>    19 <b>this is the one we're focusing on -- that we are not</b>    20 <b>trying to encroach upon their religious freedom and</b>    21 <b>their rights to choose what they believe in, and then</b>    22 <b>they would be asked to watch the films.</b></p> <p>23       Q Just to clarify, the films, "The Secret" and    24 "The Way to Happiness," were those optional for the    25 employees to watch, or were those required?</p>
<p style="text-align: right;">Page 46</p> <p>1       MS. GINAPP: That's okay. Go ahead.</p> <p>2       THE WITNESS: The beginning of the question?</p> <p>3 BY MS. BARRAZA:</p> <p>4       Q Sure.</p> <p>5       Do any of the employment agreements that new    6 hires sign specifically lay out exactly what kind of --    7 exactly which courses the employees will have the    8 option of taking part in that have anything to do with    9 L. Ron Hubbard's teachings?</p> <p>10       MS. GINAPP: Objection. Form.</p> <p>11       THE WITNESS: During what time period?</p> <p>12 BY MS. BARRAZA:</p> <p>13       Q 2015.</p> <p>14       <b>A These are the documents.</b></p> <p>15       Q Okay. Did Real Water, back in 2015, give its    16 employees any documents upon their hire which explained    17 that they will have to watch "The Secret" or "The Way    18 to Happiness"?</p> <p>19       <b>A Documents? No.</b></p> <p>20       Q What about, does Real Water have any kind of    21 policy which says that the new hires are to be verbally    22 informed that they're going to have to watch "The    23 Secret" and "The Way to Happiness"?</p> <p>24       <b>A We have what's called, what we refer to as a</b>    25 <b>hiring checklist. And one of the steps on the hiring</b></p>	<p style="text-align: right;">Page 48</p> <p>1       <b>A Optional. If they had an issue or a problem</b>    2 <b>with watching one of them, they did not have to watch</b>    3 <b>them. I don't think it's ever been -- I can't honestly</b>    4 <b>say that I've ever heard of anybody saying, "No, I</b>    5 <b>don't want to get paid to watch a video," though.</b></p> <p>6       Q All right. Did you have any part in    7 responding to Real Water's written discovery? Do you    8 remember how we talked about the interrogatories and    9 the Request for Admissions earlier?</p> <p>10       <b>A Yes.</b></p> <p>11       Q Did you have any part in formulating the    12 answers to those questions?</p> <p>13       <b>A I can't speak to the answers that you're</b>    14 <b>referring to because I don't know those documents by</b>    15 <b>heart.</b></p> <p>16       Q Okay. Now, I want to go over "The Secret" and    17 "The Way to Happiness". Are those part of videos that    18 are watched in the orientation period of, once an    19 employee starts working at Real Water; is that correct?</p> <p>20       <b>A Correct.</b></p> <p>21       Q What other videos, if any, aside from "The    22 Secret" and "The Way to Happiness," fall into that    23 orientation portion?</p> <p>24       <b>A We have a video of a gentleman named Art</b>    25 <b>Williams, who I believe is a Christian business leader.</b></p>

<p style="text-align: right;">Page 49</p> <p>1 <b>I think he's from Georgia, if I remember correctly.</b>  2 <b>And the title of the video is "Just Do It." It's a</b>  3 <b>short video. And it's -- kind of puts the principle or</b>  4 <b>the idea of, don't worry about the problems that you</b>  5 <b>might face in life or on your job, or what have you,</b>  6 <b>just figure out a way to get it done, and just do it.</b>  7 <b>There's another video called "Message to</b>  8 <b>Garcia." That is a reading of a typed, or a written</b>  9 <b>passage, I believe, of the same title, "Message to</b>  10 <b>Garcia," that was written in the early 20th century,</b>  11 <b>and kind of goes over a similar principle of, don't get</b>  12 <b>mired down in the reasons why something can't get done,</b>  13 <b>just find a way to achieve the goal.</b>  14 Q Okay. Any other videos besides those two you  15 just described to me?  16 A "The Secret" and "The Way to Happiness."  17 Q How about you give me a brief overview of "The  18 Secret"?  19 A "The Secret" is a video that portrays a way of  20 thinking about life in a positive manner, and to give  21 somebody a tool or a way to attract different things,  22 or conditions, or happiness in their life that they  23 want. It's been used and promoted by many different  24 people, including Oprah, other companies. I've heard  25 that they use it as a motivational type tool for their</p>	<p style="text-align: right;">Page 51</p> <p>1 gentleman gave that was filmed. And so I don't think  2 there was ever -- like, he didn't say, "This is the  3 title of my speech." But it's commonly referred to as  4 "Just Do It," I believe.  5 MS. GINAPP: Sorry. My apologies.  6 THE WITNESS: Three, four years ago maybe.  7 BY MS. BARRAZA:  8 Q So it's fair to say that the "Just Do It"  9 video would have been part of Grecia's orientation  10 viewing?  11 A Yeah.  12 Q Okay. How long approximately is that video?  13 A Five minutes, approximately.  14 Q Do the new hires have a video review that they  15 fill out that's associated with the "Just Do It" video?  16 A I don't believe there is one, but I'm not a  17 hundred percent certain on that, if we've ever had a  18 review of that video. But because it's so short and  19 there's not really much to it, I don't think we have  20 one.  21 Q All right. So we've gone through "Just Do  22 It," "Message to Garcia," "The Secret," and "The Way to  23 Happiness." Any other videos that were part of the  24 2015 orientation?  25 A We do have two, what we call, "Real Water</p>
<p style="text-align: right;">Page 50</p> <p>1 employees.  2 Q Why don't you briefly describe to me "The Way  3 to Happiness"?  4 A "The Way to Happiness" is a set of principles  5 or guides for living a happy life, everything from eat  6 correctly, brush your teeth, don't do drugs -- type of  7 things like that -- down to, you know, respect the  8 religious beliefs of others. I mean, there's even  9 don't murder, things like that in there. It's sort of  10 a simple guideline of how somebody can live a happy  11 life.  12 Q We're going to come back and discuss these  13 videos in more detail when we go over Grecia's video  14 reviews. I just want to make sure I get this  15 orientation list we had started completely filled out.  16 I think you mentioned "Just Do It". When was  17 that video first introduced into the orientation  18 section for Real Water?  19 MS. GINAPP: Objection. Form. I believe the  20 title is called, "Do It."  21 THE WITNESS: What was that?  22 MS. GINAPP: Is it "Just Do It"?</p> <p>23 THE WITNESS: I think it's "Just Do It."  24 MS. GINAPP: Oh, it's "Just," oh, okay.  25 THE WITNESS: Well, it's a speech that the</p>	<p style="text-align: right;">Page 52</p> <p>1 Culture" videos that give people a little bit of an  2 understanding of the Management Technology, and the  3 ideas, principles, tools, policies, procedures, type  4 things, that we have that we use at the company.  5 Q Aside from those videos that we've gone over,  6 any other videos that need to be added to the list of  7 orientation videos?  8 A No.  9 Q Okay. Before we move on from what's been  10 marked Exhibit 2, I'm going to ask you to go to page  11 RW-18, which looks like it's part of the first  12 employment agreement. Can you read Section 10 to  13 yourself? Let me know when you're done.  14 A Okay.  15 Q What's the purpose of Section 10?  16 MS. GINAPP: Objection. Calls for a legal  17 conclusion. Form. Foundation. Beyond the scope of  18 the deposition notice.  19 MS. BARRAZA: I'll put on the record that we  20 believe this is not beyond the scope as it goes to the  21 religion discrimination claims.  22 THE WITNESS: Can you ask the question again?  23 BY MS. BARRAZA:  24 Q Sure. What's the purpose of Section 10?  25 MS. GINAPP: Same objections.</p>

<p style="text-align: right;">Page 53</p> <p>1        THE WITNESS: The purpose is to have the 2 employee agree and acknowledge that should they have 3 any objections or feel that they were discriminated 4 against, their civil rights encroached upon at any time 5 during their employment, that they have the right to go 6 to a binding arbitration with a mediation step prior to 7 that, and that they agree to take that avenue of 8 resolution instead of the legal court system. 9        BY MS. BARRAZA: 10      Q    So this would include if an employee felt he 11 or she was being religiously discriminated against, 12 they would go to the binding arbitration that you just 13 described; is that correct? 14      MS. GINAPP: Objection. Calls for a legal 15 conclusion. The document speaks for itself. Outside 16 the scope of the notice. 17      THE WITNESS: If the -- 18      MS. GINAPP: Foundation. Go ahead. 19      THE WITNESS: Sorry. 20      MS. GINAPP: No, go ahead. 21      THE WITNESS: If the procedures that we have 22 in place to, you know, handle any sort of feelings of 23 religious discrimination, including reporting it to 24 their immediate senior in writing, if they then don't 25 get anywhere there, reporting it to the human resources</p>	<p style="text-align: right;">Page 55</p> <p>1        Q    I'll give you a chance to look over it. To 2 me, it looks like Sections 12 through 17 all deal with 3 Real Water's arbitration policies. So I'll let you 4 look through that, and let me know if that's also your 5 understanding. 6        MS. GINAPP: 12 through 17? 7        MS. BARRAZA: Yes. 8        MS. GINAPP: I'm going to object to form. 9        Calls for a legal conclusion. Foundation. 10      THE WITNESS: Okay. 11      BY MS. BARRAZA: 12      Q    Would you agree with me that the sections you 13 just read from the second employment, being Sections 12 14 through 17, is not the exact same language as the 15 section on arbitration in the first agreement, 16 Section 10? 17      MS. GINAPP: Objection. The document speaks 18 for itself. Calls for a legal conclusion. Outside the 19 scope of the notice. 20      THE WITNESS: Can you clarify your question? 21      BY MS. BARRAZA: 22      Q    My question is: Would you agree with me that 23 Section 10 in the first agreement is not the exact same 24 as the arbitration sections in the second agreement, 25 being Sections 12 through 17?</p>
<p style="text-align: right;">Page 54</p> <p>1        department, or their senior's senior, their boss' boss, 2 all of that, don't get anywhere, and aren't able to 3 resolve the situation, and they feel so aggrieved or 4 that there is such a problem beyond those remedies that 5 have already been taken, then they have the right to an 6 arbitration. 7        BY MS. BARRAZA: 8        Q    Why was the arbitration provision included in 9 the employment agreement? 10      MS. GINAPP: Objection. Foundation. Beyond 11 the scope of the notice. 12      THE WITNESS: I think it's pretty standard in 13 employment agreements. And so it was added because 14 it's kind of a common thing that companies do. 15 However, I think the underlying reason of why was 16 because the legal court system is a costly drain on 17 society, and there's other ways to handle problems and 18 find proper remedies to solutions where both parties 19 can be happy and move forward outside of the legal 20 court system. 21      BY MS. BARRAZA: 22      Q    I want to point you to the second employment 23 agreement in your packet located at page RW-24 and 24 RW-25. I would ask you to read Sections 12 and 13. 25      A    Okay.</p>	<p style="text-align: right;">Page 56</p> <p>1        MS. GINAPP: Same objections. 2        THE WITNESS: The second employment agreement 3 that was signed by Grecia is more extensive in the 4 explanation of the same idea, yes. 5        BY MS. BARRAZA: 6        Q    Okay. Is there any kind of document which 7 explains to Grecia whether the arbitration terms in the 8 first agreement she signed or the arbitration terms in 9 the second agreement she signed would be the ones that 10 would be imposed on her? 11      MS. GINAPP: Objection. Calls for a legal 12 conclusion. Outside of the scope of the notice. 13 Foundation. 14      THE WITNESS: Nothing is being imposed on her. 15 She's agreeing to follow those procedures. 16      BY MS. BARRAZA: 17      Q    Okay. Is there anything that would explain to 18 Grecia -- is there any evidence or knowledge that you 19 have that Grecia was talked to about whether Section 10 20 of the first agreement is what she's bound by, or 21 Sections 12 through 17 of the second agreement is what 22 she's bound by? 23      MS. GINAPP: Same objections. 24      THE WITNESS: She agreed to both of them. 25      ////</p>

<p style="text-align: right;">Page 57</p> <p>1 BY MS. BARRAZA:  2 Q Is it Real Water's position that Grecia will  3 be bound by both agreements?  4 MS. GINAPP: Objection. Calls for a legal  5 conclusion. Argumentative. Beyond the scope of the  6 notice. Just generally form and foundation.  7 THE WITNESS: She agreed to both of the  8 agreements.  9 BY MS. BARRAZA:  10 Q Okay. Do you know why the arbitration  11 language in the second agreement is more extensive than  12 the language in the first agreement?  13 MS. GINAPP: Objection to the form of the  14 question in general. Calls for a legal conclusion.  15 Beyond the scope of the notice. Foundation.  16 THE WITNESS: To explain the idea more  17 thoroughly.  18 BY MS. BARRAZA:  19 Q Did ADP come up with the more extensive  20 arbitration language?  21 MS. GINAPP: Objection to the form of the  22 question.  23 THE WITNESS: They consulted and suggested  24 language.  25 //</p>	<p style="text-align: right;">Page 59</p> <p>1 THE WITNESS: It's pretty clear what it says  2 there. As far as the interpretation of, I'm not an  3 attorney, so I can't give my interpretation.  4 BY MS. BARRAZA:  5 Q Explain to me what the difference is between  6 the option in Option A and Option B.  7 MS. GINAPP: Objection. Beyond the scope of  8 the deposition notice. Calls for a legal conclusion.  9 The document speaks for itself.  10 THE WITNESS: I'm not well versed in law. I'm  11 not an attorney.  12 BY MS. BARRAZA:  13 Q Okay. Would you say Grecia would be able to  14 make an informed decision about whether she should  15 select Option A or Option B?  16 MS. GINAPP: Objection. Calls for  17 speculation. Beyond the scope of the notice. What  18 else? Form. Foundation, just in general.  19 THE WITNESS: I don't know Grecia's  20 experience. I've had two words, "hi" and "bye,"  21 communicated between her. So I can't speak to her  22 experience or knowledge.  23 BY MS. BARRAZA:  24 Q Okay.  25 <b>A However, the standard policy is if someone has</b></p>
<p style="text-align: right;">Page 58</p> <p>1 BY MS. BARRAZA:  2 Q All right. Were the arbitration provisions  3 that Grecia signed in the first and second agreements,  4 were they negotiable?  5 MS. GINAPP: Objection. Form. Foundation.  6 THE WITNESS: In the second agreement, she  7 clearly has an option between two choices in Section 13  8 that she's given.  9 BY MS. BARRAZA:  10 Q Let's go over Section 13 of the second  11 agreement, page RW-25. What's the first option that  12 she has?  13 MS. GINAPP: Objection. The document speaks  14 for itself. Calls for a legal conclusion. Form.  15 Foundation. Beyond the scope of the notice.  16 THE WITNESS: It says there what the option  17 is.  18 BY MS. BARRAZA:  19 Q Okay. Am I correct that Option A, if she were  20 to select that option, it means that she's agreeing  21 that any and all Title VII claims are resolved by  22 binding arbitration?  23 MS. GINAPP: Objection. The document speaks  24 for itself. Calls for a legal conclusion. Beyond the  25 scope of the notice.</p>	<p style="text-align: right;">Page 60</p> <p>1 <b>a question or an issue with one of these, it's  2 obviously to be addressed.</b>  3 Q Did anyone ever explain to Grecia at the time  4 she was signing these employment agreements that either  5 of the arbitration provisions could be modified?  6 MS. GINAPP: Objection. Calls for  7 speculation.  8 THE WITNESS: Can you refer me to where  9 they're being modified?  10 BY MS. BARRAZA:  11 Q I'm just saying, at the time Grecia signed the  12 first agreement and the second agreement, was there any  13 Real Water policy to have her put on notice that either  14 of the arbitration provisions could be potentially  15 modified?  16 MS. GINAPP: I'm going to object. Foundation.  17 THE WITNESS: I don't think I'm totally  18 understanding your question. It seems very  19 hypothetical. So is your question, is there a document  20 that would explain to Grecia or any employee that if  21 something was changed, they would -- I don't  22 understand.  23 BY MS. BARRAZA:  24 Q That's fine. I'll reword it.  25 Back in 2015, did Real Water have any policy</p>

<p style="text-align: right;">Page 61</p> <p>1 of informing its new hires, when they're going over 2 these employment agreements, that any of the 3 arbitration language can be modified?</p> <p>4 MS. GINAPP: I'm going to object. It assumes 5 facts not in evidence. Foundation.</p> <p>6 THE WITNESS: I don't understand the question, 7 because basically in order for somebody to be held to 8 an agreement they made, they would actually have to 9 make that agreement, and if -- there's nothing in this 10 document that says that we can change it whenever we 11 want, and because you're signing here, you agree to 12 anything that we want -- I don't understand where 13 you're trying to go.</p> <p>14 BY MS. BARRAZA:</p> <p>15 Q Let me ask you this: Is there any Real Water 16 policy in 2015 that that the HR representatives who are 17 giving the employee the employment agreements to look 18 over are to give any kind of special instructions 19 regarding the agreement?</p> <p>20 <b>A No. Other than asking any questions that they 21 might have in respect to the agreement, they're not 22 instructed or there is no policy for the human 23 resources department to initiate interpretation of a 24 document.</b></p> <p>25 Q Okay. Are these two employment agreements</p>	<p style="text-align: right;">Page 63</p> <p>1 <b>A Again, there's no procedure that specifically 2 addresses the arbitration clause of the employment 3 agreement. There is a procedure, however, that the 4 employment agreement needs to be fully filled out and 5 completed prior to the commencement of employment.</b></p> <p>6 Q Why didn't Real Water have Grecia sign an 7 arbitration agreement which was its own separate 8 agreement separate and apart from her employment 9 agreement?</p> <p>10 MS. GINAPP: Objection. Form. Foundation.</p> <p>11 THE WITNESS: Because, again, usually when a 12 person starts employment at a company, there's a lot of 13 forms and different things that need to be filled out, 14 signed, agreed to. And instead of making each 15 section a separate agreement, we decided to make one 16 agreement.</p> <p>17 BY MS. BARRAZA:</p> <p>18 Q Would you agree with me that the arbitration 19 agreement in the first agreement, Section 10, is in the 20 same kind of font and not in any way distinguishable 21 from the other sections of the agreement?</p> <p>22 MS. GINAPP: Objection. Form. Foundation.</p> <p>23 Beyond the scope of the notice.</p> <p>24 THE WITNESS: No, there is a clear difference.</p> <p>25 It's emboldened in certain sections, and in the attempt</p>
<p style="text-align: right;">Page 62</p> <p>1 seen as take-it-or-leave-it offers for employment?</p> <p>2 MS. GINAPP: Objection as to form.</p> <p>3 THE WITNESS: Generally, when somebody wants 4 to be employed by a company, they have to agree to the 5 conditions and procedures and policies that the company 6 has in regards to employment. If they have an issue 7 with something, they have -- they are well within their 8 rights to not be employed by that company.</p> <p>9 BY MS. BARRAZA:</p> <p>10 Q Would you agree with me that Grecia's 11 employment was conditioned on her accepting the 12 arbitration provisions in agreement one and agreement 13 two?</p> <p>14 MS. GINAPP: Objection. Form. Foundation.</p> <p>15 THE WITNESS: It's never been an issue. We 16 don't have a set procedure as far as someone objecting 17 to the agreement of arbitration. And it's never come 18 up as an issue with any employee over the life history 19 of Affinity Lifestyles.</p> <p>20 BY MS. BARRAZA:</p> <p>21 Q Aside from it ever being an issue, am I 22 correct that the new hires had to sign off on the 23 arbitration provision portions of the employment 24 agreements if they wanted to actually get hired at 25 Real Water?</p>	<p style="text-align: right;">Page 64</p> <p>1 to draw a person's attention to that so they actually 2 review it, so they know what they're agreeing to when 3 they agree to it.</p> <p>4 BY MS. BARRAZA:</p> <p>5 Q All right. Is there any kind of reason why 6 the arbitration provision is at the very end of the 7 entire agreement?</p> <p>8 MS. GINAPP: Objection. Calls for 9 speculation. Beyond the scope of the notice.</p> <p>10 Generally, form and foundation.</p> <p>11 THE WITNESS: Why the person that fully wrote 12 this document did it that way, I can't say to his 13 personal belief. But if I had to give you my opinion, 14 I would say because the document starts with giving a 15 description of their employment, what the company 16 expects of them, and sort of a brief explanation of 17 their employment at the company, the arbitration is at 18 the end because it wants to give a person the 19 understanding that if they have any issues with what 20 was mentioned before, they have the right to an 21 arbitration.</p> <p>22 BY MS. BARRAZA:</p> <p>23 Q Okay. I just want to clarify, in the second 24 agreement, Section 13, how there are the two options, 25 is there any policy for Real Water to verbally explain</p>

<p style="text-align: right;">Page 65</p> <p>1 to the new hires exactly what the differences are    2 between Option A and Option B?    3 MS. GINAPP: Objection. Asked and answered.    4 THE WITNESS: To initiate an interpretation    5 explanation of? No.    6 BY MS. BARRAZA:    7 Q Okay. Do you see how some Real Water    8 applicants might find Option A and Option B confusing?    9 MS. GINAPP: Objection. Calls for    10 speculation. Beyond the scope of the notice. Form.    11 Foundation.    12 THE WITNESS: I could see how someone could be    13 confused by some of -- there -- but, again, they always    14 have the option to ask questions and clarify things.    15 And if they truly wish, have -- hire counsel to explain    16 it to them.    17 BY MS. BARRAZA:    18 Q Okay. I want to go back to the orientation    19 videos that you had talked to me about.    20 I believe -- correct me if I'm wrong -- is it    21 Real Water's position that the orientation videos are    22 not required?    23 MS. GINAPP: Objection. Asked and answered.    24 THE WITNESS: State your question again,    25 please.</p>	<p style="text-align: right;">Page 67</p> <p>1 <b>document or not.</b>    2 Q Okay.    3 A <b>I'm not --</b>    4 Q That's fine.    5 Would you agree with me that "Just Do It" is    6 part of the orientation videos in 2015?    7 <b>A Yes, "Just Do It," as we've already discussed,</b>    8 <b>is one of the orientation videos.</b>    9 Q Okay. I want to point you to Request No. 9.    10 Can you read into the record the second sentence of    11 Response to Request for Admission No. 9?    12 MS. GINAPP: I'm going to object based upon    13 the fact that the question hasn't been entered into the    14 record. And I'm also going to reassert the objections    15 stated in the response to the Request for Admission    16 No. 9.    17 THE WITNESS: So you're asking me to read that    18 question aloud, or that sentence aloud?    19 MS. BARRAZA: Sure, yes.    20 MS. GINAPP: Same objections.    21 THE WITNESS: I thought I was supposed to    22 answer questions, not --    23 MS. BARRAZA: That is part of my question.    24 MS. GINAPP: Go ahead. It's a question.    25 THE WITNESS: "Admit that Real Water employees</p>
<p style="text-align: right;">Page 66</p> <p>1 BY MS. BARRAZA:    2 Q Are the orientation videos -- and when I say    3 "the orientation videos," I'm referring to the ones    4 we've gone over, being "The Secret," "The Way to    5 Happiness," "Message to Garcia", ""Real Water    6 Culture", and "Just Do It" -- are those required    7 videos for the new employees to watch?    8 A <b>No.</b>    9 MS. BARRAZA: Okay. Let's do this next.    10 (Exhibit 3 marked)    11 BY MS. BARRAZA:    12 Q I've just handed you Exhibit 3, which I'll    13 represent to you the Real Water's Responses to    14 Plaintiff's First Set of Requests for Admission.    15 Are you familiar with Real Water's Request for    16 Admission -- I mean -- with Plaintiff's Requests for    17 Admission?    18 A <b>I am somewhat familiar with this, yes.</b>    19 Q Okay. I'm going to point you to    20 Request No. 2. It asks which videos were required in    21 March of 2015. I see "Real Water Culture," "Message to    22 Garcia," "The Secret," and "The Way to Happiness"    23 listed on there. Am I correct from your testimony    24 today, we need to add "Just Do It" to that list?    25 A <b>I don't know if it should be added to this</b></p>	<p style="text-align: right;">Page 68</p> <p>1 were not allowed" --    2 MS. GINAPP: No, actually, she wants you to    3 read just the second sentence.    4 THE WITNESS: Of the Response to Request for    5 Admission No. 9?    6 "Without waiving and subject to said    7 objections, Defendant admits that employees are not    8 allowed to decline" --    9 MS. GINAPP: Just go ahead and finish.    10 THE WITNESS: -- "decline to watch the four    11 videos which are part of employee orientation."    12 BY MS. BARRAZA:    13 Q Okay. Would you agree with me that the four    14 videos that are part of video orientation would be the    15 "Real Water," "Message to Garcia," "The Secret," and    16 "The Way to Happiness"?    17 A <b>Sure, yes.</b>    18 Q So I just want to clarify exactly what    19 Real Water's position is, because there's some    20 discrepancy in your testimony and what Real Water's    21 already disclosed.    22 Were those four videos required to be    23 watched --    24 A <b>No.</b>    25 Q -- by employees in 2015?</p>

<p>1      <b>A    No, they were not required.</b></p> <p>2      Q    Is there any document that states that they</p> <p>3    were not required to be watched?</p> <p>4      MS. GINAPP: Objection. Form.</p> <p>5      THE WITNESS: I don't -- possibly, but it's</p> <p>6    known that it's not a requirement. It's an option.</p> <p>7    BY MS. BARRAZA:</p> <p>8      Q    Have any Real Water employees declined to</p> <p>9    watch any of the four videos, being "Real Water</p> <p>10   Culture," "Message to Garcia," "The Secret," or "The</p> <p>11   Way to Happiness"?</p> <p>12   <b>A    Not that I'm aware of.</b></p> <p>13      Q    Okay. Did you have any input in responding to</p> <p>14   that Request No. 9 that we just reviewed?</p> <p>15   <b>A    Possibly. We've had -- I've had conversations</b></p> <p>16   <b>with my attorney.</b></p> <p>17      MS. GINAPP: Don't talk about any</p> <p>18   conversations with your attorney.</p> <p>19      THE WITNESS: That's what I was going to say.</p> <p>20   BY MS. BARRAZA:</p> <p>21      Q    Okay. Explain to me how these orientation</p> <p>22   videos were viewed back in 2015.</p> <p>23      MS. GINAPP: Objection. Form.</p> <p>24      THE WITNESS: How they were viewed?</p> <p>25   ////</p>	<p>1      <b>A    Filed in their employment file.</b></p> <p>2      Q    Is there any kind of grading system of the</p> <p>3    reviews?</p> <p>4      <b>A    No. The purpose of the review is solely to</b></p> <p>5    <b>have the person actually somewhat engage with the</b></p> <p>6    <b>content of the video. There's no grading, or --</b></p> <p>7    <b>usually they're not even reviewed after they're done by</b></p> <p>8    <b>the human resources department, or anybody, for that</b></p> <p>9    <b>matter. It's just a way for the person to engage</b></p> <p>10   <b>somewhat with the content of the video and think about</b></p> <p>11   <b>it, so they're not, you know, just not paying</b></p> <p>12   <b>attention, or what have you. It's to goad them into</b></p> <p>13   <b>engaging with it and actually thinking about the</b></p> <p>14   <b>different ideas.</b></p> <p>15      Q    Am I correct that Grecia, when she finished</p> <p>16   filling out her video reviews, would have been</p> <p>17   responsible for handing that review in to her HR</p> <p>18   supervisor?</p> <p>19      <b>A    Sure, the person that was in charge of</b></p> <p>20   <b>collecting the documents and filing them in the</b></p> <p>21   <b>employment file.</b></p> <p>22      Q    Aside from having those review forms filed in</p> <p>23   the employment file, does Real Water do anything else</p> <p>24   with the reviews, back in 2015?</p> <p>25      MS. GINAPP: Objection. Form.</p>
<p>Page 70</p>	<p>Page 72</p>

<p style="text-align: right;">Page 73</p> <p>1     <b>A Yes.</b></p> <p>2     Q Let me start with just the video review form</p> <p>3     itself. Has the video review form for "Message to</p> <p>4     Garcia" ever changed throughout Real Water's history?</p> <p>5     <b>A I don't believe so.</b></p> <p>6     Q It looks like this document is dated March 11,</p> <p>7     2015; is that correct?</p> <p>8     <b>A Looks so, yes.</b></p> <p>9     Q I want to point you briefly back to Exhibit 2,</p> <p>10    the first employment agreement. If you look at the end</p> <p>11    of it, page RW-19, it looks like the first agreement</p> <p>12    was signed on March 10, 2015. Is that what you're</p> <p>13    seeing?</p> <p>14    <b>A Looks like it.</b></p> <p>15    Q Okay. So is it reasonable to assume that</p> <p>16    Grecia watched -- I'm sorry -- yeah -- that Grecia</p> <p>17    watched the "Message to Garcia" video after she had</p> <p>18    already signed the employment agreement?</p> <p>19    MS. GINAPP: Objection. Form. Foundation.</p> <p>20    THE WITNESS: If those dates are correct when</p> <p>21    they were signed, it looks that way.</p> <p>22    BY MS. BARRAZA:</p> <p>23    Q All right. You talked to me a little bit</p> <p>24    about what "Message to Garcia" is about. I want to</p> <p>25    ask: Why specifically does Real Water have its</p>	<p style="text-align: right;">Page 75</p> <p>1     MS. GINAPP: Objection. Incomplete</p> <p>2     hypothetical. Calls for speculation.</p> <p>3     THE WITNESS: They wouldn't watch it.</p> <p>4     BY MS. BARRAZA:</p> <p>5     Q Would there be any kind of repercussions for</p> <p>6     that?</p> <p>7     <b>A Of course not.</b></p> <p>8     Q Has anybody at Real Water ever indicated that</p> <p>9     they did not want to watch "Message to Garcia"?</p> <p>10    <b>A Not familiar with anybody having any</b></p> <p>11    <b>objections with watching any of the videos.</b></p> <p>12    Q Can you understand if some employees might</p> <p>13    feel compelled to watch the videos?</p> <p>14    MS. GINAPP: Objection. Calls for</p> <p>15    speculation.</p> <p>16    THE WITNESS: Hypothetically, I can</p> <p>17    understand.</p> <p>18    BY MS. BARRAZA:</p> <p>19    Q Have you personally ever watched "Message to</p> <p>20    Garcia"?</p> <p>21    <b>A More than once.</b></p> <p>22    Q When was the first time you watched it?</p> <p>23    <b>A Three or four years ago maybe.</b></p> <p>24    Q Fair to say, you were not required to watch</p> <p>25    "Message to Garcia" prior to coming to work at</p>
<p style="text-align: right;">Page 74</p> <p>1     employees watch "Message to Garcia"?</p> <p>2     MS. GINAPP: Objection. Asked and answered.</p> <p>3     THE WITNESS: Because it's a good story of an</p> <p>4     account of somebody going above and beyond what was</p> <p>5     required of them, and in front of insurmountable odds,</p> <p>6     and they achieved the goal that they set out to do.</p> <p>7     BY MS. BARRAZA:</p> <p>8     Q How does the "Message to Garcia" video relate</p> <p>9     to Grecia's responsibilities as a brand ambassador?</p> <p>10    <b>A I can see how, because of that job's position,</b></p> <p>11    <b>if you are in a store and you're explaining a product</b></p> <p>12    <b>to somebody and they disagree with you in some regard</b></p> <p>13    <b>to what you're saying, or some difficulty comes up in</b></p> <p>14    <b>performing the job functions, that this video was, in</b></p> <p>15    <b>her case, given to her to watch to encourage her to</b></p> <p>16    <b>find solutions to problems that she might face, and</b></p> <p>17    <b>still try to achieve the goal that she set out to do</b></p> <p>18    <b>instead of give up or quit.</b></p> <p>19    Q Did Real Water have a policy of giving any</p> <p>20    kind of feedback to its employees after they had turned</p> <p>21    in their video reviews?</p> <p>22    <b>A No.</b></p> <p>23    Q What would happen if somebody in 2015</p> <p>24    indicated they did not want to watch "Message to</p> <p>25    Garcia"?</p>	<p style="text-align: right;">Page 76</p> <p>1     Real Water; is that correct?</p> <p>2     MS. GINAPP: Objection. Form.</p> <p>3     THE WITNESS: No.</p> <p>4     BY MS. BARRAZA:</p> <p>5     Q That's correct, yes?</p> <p>6     <b>A No, I was not required to.</b></p> <p>7     Q Okay. Got it.</p> <p>8     Is there anything in Grecia's written review</p> <p>9     of "Message to Garcia" that Real Water took specific</p> <p>10    notice of when they were reviewing her video review?</p> <p>11    MS. GINAPP: Objection. Foundation.</p> <p>12    THE WITNESS: As we've already --</p> <p>13    MS. GINAPP: Speculation. Sorry. Go ahead.</p> <p>14    THE WITNESS: As we've already talked about,</p> <p>15    there's no procedure or set policy for the review of</p> <p>16    these.</p> <p>17    BY MS. BARRAZA:</p> <p>18    Q All right. Would you agree with me that</p> <p>19    Grecia's written responses to her video reviews, which</p> <p>20    includes any responses she made to "Message to Garcia,"</p> <p>21    "The Secret," or "The Way to Happiness" had no bearing</p> <p>22    on her employment at Real Water?</p> <p>23    <b>A Can you ask the question again?</b></p> <p>24    Q Would you agree with me that Grecia's written</p> <p>25    responses, written reviews, regarding "Message to</p>

<p style="text-align: right;">Page 77</p> <p>1 Garcia," "The Way to Happiness," and "The Secret" had 2 no bearing on whether or not she would still be 3 employed at Real Water?</p> <p>4 <b>A Because there's no set procedure on having the 5 forms reviewed after they're filled out by the new 6 employee, there would be no judgments, disciplinary 7 action, reward of any kind or any sort, because there's 8 no set procedure to actually look at this.</b></p> <p>9 Q Okay. So there's no reward or punishment that 10 would be imposed based on the substance of an 11 employee's reviews; is that correct?</p> <p>12 <b>A Correct.</b></p> <p>13 MS. GINAPP: Can we go off the record for a 14 second?</p> <p>15 MS. BARRAZA: That's fine.</p> <p>16 (Discussion off the record)</p> <p>17 (Lunch recess)</p> <p>18 MS. BARRAZA: We're back on the record.</p> <p>19 BY MS. BARRAZA:</p> <p>20 Q Before we broke last hour, we were just 21 discussing "Message to Garcia." I'm going to move on 22 and discuss "The Way to Happiness." You've previously 23 given me a brief overview of what "The Way to 24 Happiness" is about.</p> <p>25 I'm wondering what Real Water's position is as</p>	<p style="text-align: right;">Page 79</p> <p>1 <b>A Uh-huh.</b></p> <p>2 Q Okay. Who did you -- did you turn that video 3 review form into anybody?</p> <p>4 <b>A Human resources, it's probably in my file.</b></p> <p>5 Q Have you personally reviewed any of the video 6 reviews in the course of your employment at Real Water?</p> <p>7 <b>A When I was actually over the human -- or, 8 doing some of the human resources functions, hiring 9 procedure, et cetera, I'm sure I looked at some of the 10 reviews that were done basically just to make sure that 11 there was something written down on the paper and it 12 wasn't just left blank.</b></p> <p>13 Q Approximately when was that your 14 responsibility?</p> <p>15 MS. GINAPP: Objection. Form.</p> <p>16 THE WITNESS: Four or five years ago maybe.</p> <p>17 BY MS. BARRAZA:</p> <p>18 Q Now, the "Real Water Culture" video, am I 19 correct in assuming that Real Water formed that video, 20 created that video?</p> <p>21 <b>A Yep.</b></p> <p>22 Q What about the "Message to Garcia" video, did 23 Real Water form that video?</p> <p>24 MS. GINAPP: Objection. Form.</p> <p>25 THE WITNESS: No, it's a narration somebody.</p>
<p style="text-align: right;">Page 78</p> <p>1 far as what "The Way to Happiness" specifically has to 2 do with a brand ambassador's duties.</p> <p>3 MS. GINAPP: Objection. Form.</p> <p>4 THE WITNESS: A brand ambassador deals with 5 people, numerous people on a daily, continuous basis 6 throughout their job, probably more so than any other 7 position within the company. And some of the 8 suggestions or guidelines, or what have you, that are 9 contained in "The Way to Happiness" deal with 10 respecting others, deal with how to keep relations with 11 other people on a friendly, happy level.</p> <p>12 BY MS. BARRAZA:</p> <p>13 Q How long has "The Way to Happiness" been an 14 orientation video for Real Water?</p> <p>15 <b>A Four or five years, maybe.</b></p> <p>16 Q Have you personally viewed "The Way to 17 Happiness"?</p> <p>18 <b>A Numerous times.</b></p> <p>19 Q Have you personally filled out any of 20 Real Water's video reviews?</p> <p>21 <b>A I think I might have done the "Culture" video 22 reviews personally.</b></p> <p>23 Q Okay. And just to clarify, you've actually 24 watched the "Real Water Culture" video and then written 25 down your feedback on a video review form?</p>	<p style="text-align: right;">Page 80</p> <p>1 BY MS. BARRAZA:</p> <p>2 Q Where did Real Water get that video from?</p> <p>3 <b>A I'm not sure, because what we have is a clip 4 of some other video. And I'm not sure where it came 5 from, to be honest.</b></p> <p>6 Q Are you saying that the "Message to Garcia" video 7 is a subpart of a larger video that Real Water 8 has?</p> <p>9 <b>A No. I'm saying we don't have --</b></p> <p>10 Q You don't have what?</p> <p>11 <b>A The larger video.</b></p> <p>12 Q Okay. Who at Real Water would be able to tell 13 me exactly where Real Water got the "Message to Garcia" video 14 from?</p> <p>15 <b>A Probably nobody with some certainty because it 16 was a while ago, and it's -- yeah, probably nobody with 17 certainty on this exact when we got it, who we got it 18 from, all that kind of thing.</b></p> <p>19 Q But to your knowledge, as a representative 20 here today, you don't know where Real Water got 21 "Message to Garcia" from; correct?</p> <p>22 <b>A No, I don't know if it was downloaded from 23 online, or where it was, because you can find it 24 online.</b></p> <p>25 Q You told me that the employees watched the</p>

<p style="text-align: right;">Page 81</p> <p>1 videos on a TV in the lobby. Is it an actual VHS or is 2 it a DVD?</p> <p>3 <b>A It's a DVD.</b></p> <p>4 Q When all four -- when I say "four," I'm 5 talking about "The Secret," "Message to Garcia," "The 6 Way to Happiness," and the "Culture" video -- are they 7 all DVDs?</p> <p>8 <b>A Uh-huh.</b></p> <p>9 Q "Yes"?</p> <p>10 <b>A Yes.</b></p> <p>11 Q Are these DVDs kept in the human resources 12 department?</p> <p>13 <b>A Correct.</b></p> <p style="text-align: center;">(Exhibit 5 marked)</p> <p>14 BY MS. BARRAZA:</p> <p>15 Q Do you recognize what's been marked as 16 Exhibit 5?</p> <p>17 <b>A It is the video review for "The Way to 18 Happiness," specifically, Grecia's.</b></p> <p>19 Q Have you previously read Grecia's video review 20 for "The Way to Happiness"?</p> <p>21 <b>A I have previously read it, not anywhere near 22 when she had written it or her time of employment. The 23 only reason why I did go back and look at it was 24 because of this lawsuit, in preparation for my duties</b></p>	<p style="text-align: right;">Page 83</p> <p>1 there -- it was Melissa Nava at the beginning and then 2 Christian Pantelakis towards the end of that time 3 period.</p> <p>4 BY MS. BARRAZA:</p> <p>5 Q All right. Is it Real Water's position that 6 "The Way to Happiness" is a purely non-religious video?</p> <p>7 <b>A Correct, because per the federal law that 8 dictates what a religion is, it does not go into the 9 afterlife or address somebody as a spiritual being.</b></p> <p>10 Q What federal law are you referring to?</p> <p>11 <b>A I don't know the exact statute.</b></p> <p>12 Q Okay. Does Real Water have any document which 13 would reflect that they're following a certain federal 14 law as it pertains to any policies that can be related 15 to religion?</p> <p>16 MS. GINAPP: Objection. Form.</p> <p>17 THE WITNESS: Ask it again.</p> <p>18 BY MS. BARRAZA:</p> <p>19 Q Does Real Water have any specific document 20 which would indicate exactly what federal law you're 21 talking about?</p> <p>22 MS. GINAPP: Same objection.</p> <p>23 THE WITNESS: No, because that's held by The 24 Way to Happiness Foundation who was able to be deemed 25 as a secular foundation.</p>
<p style="text-align: right;">Page 82</p> <p>1 <b>today.</b></p> <p>2 Q So this document is dated March 11, 2015. If 3 you recall the "Message to Garcia" video review was 4 also dated March 11, 2015. Is it normal for the 5 employees to watch all these orientation videos on the 6 same day?</p> <p>7 <b>A Yeah, fairly normal. Different circumstances 8 might be different for different people, depending on 9 the job position, their schedule. You know, sometimes 10 when people start a new job, they're not ready to be 11 the full-time employee. They still have another job, 12 or they're, you know, working part-time. Everybody's 13 situation is different. And so we usually try to cater 14 with them and we don't require them that they have to 15 sit and watch these videos now. We cater to their 16 schedule. And if they can do it all in one fell swoop, 17 great. If not, then we accommodate.</b></p> <p>18 Q In 2015, who was responsible for following up 19 with the employees and making sure they had completed 20 their video reviews?</p> <p>21 MS. GINAPP: Objection. Asked and answered.</p> <p>22 Go ahead.</p> <p>23 THE WITNESS: We already answered it. During 24 the time period of March 2015 to -- it says on one of 25 these, whatever the final month when she was working</p>	<p style="text-align: right;">Page 84</p> <p>1 BY MS. BARRAZA:</p> <p>2 Q Where did Real Water get "The Way to 3 Happiness" video from?</p> <p>4 <b>A We bought it some way from The Way to 5 Happiness Foundation.</b></p> <p>6 Q Did Real Water purchase it online, or via the 7 mail, or any other kind of way?</p> <p>8 <b>A I don't recall exactly where or how we 9 purchased it, but some way or fashion from The Way to 10 Happiness Foundation, and it was probably mailed to us 11 because I don't think they have an office here in 12 Las Vegas, retail location.</b></p> <p>13 Q When did Real Water first start implementing 14 "The Way to Happiness" into its orientation videos?</p> <p>15 <b>A Four or five years ago.</b></p> <p>16 Q Does Real Water receive any kind of 17 compensation from any entity for showing its employees 18 any of these orientation videos?</p> <p>19 <b>A No. It would be nice. No, we generally want 20 to provide people with different thoughts and ideas to 21 potentially help them and improve their lives. That's 22 why we have them watch it, or have somebody watch it.</b></p> <p>23 Q If I told you that one of the quotes from "The 24 Way to Happiness" was, "Men without faith are a pretty 25 sorry lot," would you consider that in any way as</p>

<p style="text-align: right;">Page 85</p> <p>1 imposing religion?</p> <p>2 MS. GINAPP: Objection. Form. Foundation.</p> <p>3 Calls for a legal conclusion.</p> <p>4 THE WITNESS: Personally, no, because I think</p> <p>5 everybody has some idea about what they believe in,</p> <p>6 faith, whether it be Christianity, Buddhism, Hinduism,</p> <p>7 Scientology, or an atheist. That's what they believe.</p> <p>8 That is what they put faith in. An atheist puts faith</p> <p>9 in that they -- there is no God, that they determine</p> <p>10 their future. And that's what they put their faith in.</p> <p>11 So the definition of faith is what they believe in.</p> <p>12 Everybody believes in something.</p> <p>13 BY MS. BARRAZA:</p> <p>14 Q Okay. So am I correct that Real Water</p> <p>15 subscribes to the notion that, "Men without faith are a</p> <p>16 pretty sorry lot"?</p> <p>17 MS. GINAPP: Objection. Form. Foundation.</p> <p>18 THE WITNESS: As a business entity, no, it</p> <p>19 does not subscribe to a certain belief or thought. I</p> <p>20 think that that statement is pretty benign, and it's</p> <p>21 basically saying that people that don't believe in</p> <p>22 anything aren't very happy. And I think if you</p> <p>23 actually took a look at it, you would agree.</p> <p>24 BY MS. BARRAZA:</p> <p>25 Q Okay. I want to point you to the actual</p>	<p style="text-align: right;">Page 87</p> <p>1 A No.</p> <p>2 MS. GINAPP: Objection. Calls for</p> <p>3 speculation. Argumentative. Form. Foundation.</p> <p>4 THE WITNESS: No, I don't, because it's their</p> <p>5 opinion, and everybody is entitled to their opinion.</p> <p>6 And there's no culture, or policy, or procedure to</p> <p>7 punish somebody for their opinion at Real Water.</p> <p>8 BY MS. BARRAZA:</p> <p>9 Q Okay. Is it Real Water's position that any of</p> <p>10 the topics that are covered in "The Way to Happiness"</p> <p>11 could be considered as having some kind of religious</p> <p>12 undertones?</p> <p>13 MS. GINAPP: Objection. Form. Foundation.</p> <p>14 THE WITNESS: I don't believe so, no. I mean,</p> <p>15 honestly, I haven't watched the video in a few years.</p> <p>16 I've seen it a few times. I can't speak for every</p> <p>17 single word that's said in the video because I don't</p> <p>18 know it verbatim. But, no, I don't think it's</p> <p>19 religious because, again, religion deals with</p> <p>20 addressing somebody as a spiritual being or the</p> <p>21 afterlife.</p> <p>22 BY MS. BARRAZA:</p> <p>23 Q Okay. Does Real Water believe it's necessary</p> <p>24 to show its employees a video which informs them that</p> <p>25 they are not to murder, and that they are to stay</p>
<p style="text-align: right;">Page 86</p> <p>1 substance of Grecia's review of "The Way to Happiness."</p> <p>2 A Sure.</p> <p>3 Q A lot of this you've actually testified about,</p> <p>4 because it looks like a lot of the review is kind of a</p> <p>5 recap of what the video actually says. Is that also</p> <p>6 your opinion?</p> <p>7 MS. GINAPP: Objection. Form.</p> <p>8 THE WITNESS: Yeah.</p> <p>9 BY MS. BARRAZA:</p> <p>10 Q Okay.</p> <p>11 A Also, her --</p> <p>12 MS. GINAPP: Just wait until a question is</p> <p>13 asked.</p> <p>14 BY MS. BARRAZA:</p> <p>15 Q What else besides kind of a recap of the video</p> <p>16 do you see Grecia put in for her review?</p> <p>17 MS. GINAPP: Objection. Form.</p> <p>18 THE WITNESS: Well, just a quote from what she</p> <p>19 said, "The video was actually great. I definitely</p> <p>20 agree with it. Everything was good." So she obviously</p> <p>21 enjoyed watching it.</p> <p>22 BY MS. BARRAZA:</p> <p>23 Q Okay. You understand that some employees</p> <p>24 might feel compelled to give a positive review to a</p> <p>25 video that their employer is having them watch?</p>	<p style="text-align: right;">Page 88</p> <p>1 clean?</p> <p>2 MS. GINAPP: Objection. Form. Foundation.</p> <p>3 THE WITNESS: Can you repeat your question?</p> <p>4 BY MS. BARRAZA:</p> <p>5 Q Does Real Water believe that it's necessary to</p> <p>6 show its employees a video which states notions like,</p> <p>7 do not murder, do not harm others, things along that</p> <p>8 nature?</p> <p>9 MS. GINAPP: Same objections.</p> <p>10 THE WITNESS: Do I think it's necessary? No,</p> <p>11 I don't think it's necessary. The reason why we do it</p> <p>12 is because we hope that somebody might watch it or</p> <p>13 listen to it and it might improve their lives in some</p> <p>14 way.</p> <p>15 I can give you a specific example. I had an</p> <p>16 ex-criminal, a felon, that served their own time. They</p> <p>17 watched that video, and that actually made them change</p> <p>18 their viewpoint on that exact fact of, you shouldn't</p> <p>19 murder somebody. And they said, "Wow, you know, I</p> <p>20 actually changed my opinion on that." And so we have</p> <p>21 people watch it because we want for them to have -- be</p> <p>22 able to look at a different idea, and possibly find</p> <p>23 some happiness in that.</p> <p>24 BY MS. BARRAZA:</p> <p>25 Q Does Real Water think it's appropriate to have</p>

<p style="text-align: right;">Page 89</p> <p>1 its employees watch a video which states that people 2 should not be promiscuous, and they should be faithful 3 to their sexual partners?</p> <p>4 MS. GINAPP: Objection. Form.</p> <p>5 THE WITNESS: I think that's sort of a moral, 6 ethical idea personally that people shouldn't be 7 promiscuous and cheat on their significant others. And 8 I think if people really look at it, they'll see, by 9 doing that, it usually doesn't lead to happiness or 10 good things happening in their life, and -- you know, 11 but it doesn't stop certain people from doing it. And, 12 again, do I think it's necessary? No. But the reason 13 why we do it is because we want to possibly help 14 improve someone's life.</p> <p>15 BY MS. BARRAZA:</p> <p>16 Q Does it have anything to do with the 17 employee's actual job duties?</p> <p>18 A <b>No. We're not a brothel.</b></p> <p>19 Q Okay. What is Real Water's position as to why 20 Grecia was terminated?</p> <p>21 A <b>Our position is that she was, in essence, 22 stealing from the company. She was reporting that she 23 was on the job and performing her job duties at 24 specific retail locations when, in fact, it was checked 25 upon she wasn't. I think if I remember, there was</b></p>	<p style="text-align: right;">Page 91</p> <p>1 <b>document stating something on someone's behalf of 2 something that was not optimum, or good, or generally 3 accepted as what should be happening.</b></p> <p>4 Q Who at Real Water in 2015 had the authority to 5 fill out a non-optimum report?</p> <p>6 A <b>Every single employee.</b></p> <p>7 Q How many non-optimum reports were written 8 regarding Grecia?</p> <p>9 A <b>I think there was two, three maybe. I'm sure 10 you have it there somewhere.</b></p> <p>11 Q Now, when these non-optimum reports were 12 filled out back in 2015, who was involved in that?</p> <p>13 A <b>Whoever wrote them and signed their name at 14 the bottom. I think Bonnie wrote some of them. Jeramy 15 might have wrote some of them as well. I'm not sure. 16 I can't recall the exact reports.</b></p> <p>17 Q When a Real Water -- back in 2015, when a 18 Real Water employee would write out a non-optimum 19 report, would that go up the chain to anybody else?</p> <p>20 A <b>It would usually go to that person's immediate 21 senior. And then they give it to the person. They 22 have them sign it, and the HR department keeps it on 23 file. But, again, it depends on the severity of what 24 the person was doing. And 15 to 20 locations at a 25 minimum of two hours apiece -- so let's just say that's</b></p>
<p style="text-align: right;">Page 90</p> <p>1 <b>about 10 or 15 different locations that were followed 2 up with, or called, or visited, and found out that when 3 she said she was there, she actually wasn't there. So 4 instead of her going to perform her job functions, she 5 went to the mall, or went home, or whatever she did, 6 but she wasn't where she said she was on the clock 7 doing what she was supposed to be doing. And it was 8 the determination of Bonnie and Jeramy at the time that 9 that was egregious enough for immediate termination. 10 And so they made that decision.</b></p> <p>11 Q Explain to me, did Grecia have any kind of 12 written notice as to that, what she was doing was not 13 in line with Real Water's policies?</p> <p>14 A <b>Other than the general consensus that when you 15 say you're somewhere and you weren't, and you were 16 doing a job and you weren't, no. There were some 17 reports given to her saying, "Hey" -- backing up the 18 fact that that's kind of a generally accepted thing, 19 is, "Hey, you weren't doing what you said you were 20 doing, your job duties, this is not okay."</b></p> <p>21 Q When you say "reports," are you talking about 22 non-optimum reports?</p> <p>23 A <b>Correct.</b></p> <p>24 Q Explain to me what non-optimum reports are?</p> <p>25 A <b>Exactly what it means. It's a report or a</b></p>	<p style="text-align: right;">Page 92</p> <p>1 <b>40 hours of work times her wage -- that's how much 2 money was stolen, basically. That was found to be 3 egregious enough for termination. But sometimes 4 non-optimum reports are written on somebody and there's 5 nothing that happens of it other than the notification 6 of, "Hey, you shouldn't have done that."</b></p> <p>7 <b>(Exhibit 6 marked)</b></p> <p>8 BY MS. BARRAZA:</p> <p>9 Q I'll give you a second to look through what's 10 been marked as Exhibit 6. Let me know when you're 11 done.</p> <p>12 A <b>Okay.</b></p> <p>13 Q Okay. So I'm going to go through these 14 reports, and we'll start with what's been marked as 15 PLTF1. Looks like this report was dated October 8, 16 2015, and it was filled out by Bonnie. Is that 17 correct?</p> <p>18 A <b>Looks like it.</b></p> <p>19 Q Okay. In your review of this packet, is this 20 the kind of natural order that you would put these 21 documents in, or would you put them in a different 22 order?</p> <p>23 MS. GINAPP: Objection. Form. Foundation.</p> <p>24 THE WITNESS: Chronologically, they seem to 25 fit. I mean, that's the basics of -- you know, these</p>

<p style="text-align: right;">Page 93</p> <p>1 types of reports are put into someone's personnel file    2 because, again, it's a documentation of things that    3 were done against the company's policies or procedures.    4 BY MS. BARRAZA:    5 Q It looks like, am I correct, that there are    6 four separate non-optimum reports?    7 A Looks like it, yep.    8 Q Okay. Now, what's Real Water's policy as far    9 as having the employee who had a non-optimum report    10 written about him or her actually review the    11 non-optimum report and sign off on it?    12 A What's the procedure for that?    13 Q Right.    14 A The person that writes it, writes it, signs it    15 as the originator, either gives it to the person    16 directly, depending on the situation, or has the human    17 resources person meet with that person, have them    18 review it, sign it, and then it goes into their    19 personnel file.    20 Q So I'm looking at this first line from the    21 report that's marked as PLTF1. Who would you say    22 signed off as the signature of originator on that?    23 A Bonnie.    24 Q We're talking about Bonnie Mercado?    25 A Uh-huh.</p>	<p style="text-align: right;">Page 95</p> <p>1 termination.    2 Q Going into the next page marked as PLTF2, what    3 is this document indicating?    4 A It looks like it was actually originally    5 written on the back side of the first page because it    6 was too lengthy to fit into the box that was provided    7 because there was a lot that she was doing wrong.    8 But basically it's saying that Bonnie followed    9 up with the different stores that Grecia was supposed    10 to be visiting. She listed the individual stores,    11 their address, and even in some instances the manager,    12 different notes about each individual location, and    13 basically that she said she had either called or talked    14 to the manager or the appropriate person at that store    15 that would have signed off on her demo report forms,    16 and said that she was, in fact, there that were turned    17 in, that she actually wasn't there, and didn't do what    18 she said she did as far as her job duties.    19 Q Now, did Grecia have a list of specific stores    20 or locations that she was supposed to hit as part of    21 her duties as a brand ambassador?    22 A Yes, on a, you know, a running, evolving    23 basis. It really depends on what stores we're actually    24 wanting to target, go after. If we have specials in    25 certain stores, we'll target them more, if the special</p>
<p style="text-align: right;">Page 94</p> <p>1 Q Is there a reason why Grecia never signed this    2 non-optimum report?    3 A I don't know of the specific reason, again,    4 because I wasn't involved with these proceedings. So I    5 couldn't say.    6 Q Okay. Would Bonnie Mercado be the best person    7 to ask about that?    8 A Possibly.    9 Q So is it true that not in every instance that    10 a non-optimum report is filled out is it signed off on    11 by the recipient of the non-optimum report?    12 MS. GINAPP: Objection. Form.    13 THE WITNESS: Yeah, I mean, you can look and    14 see here she signed some of them and acknowledged some    15 of them as true, but she didn't sign the other ones.    16 BY MS. BARRAZA:    17 Q Okay.    18 A But, again, this was -- what happened in this    19 particular case was found to be so egregious, that she    20 was lying for such a long time, and stealing from the    21 company for such a long time, that there might not have    22 been an opportunity for a formal meeting to be taken    23 where Grecia reviewed the non-optimum report, she    24 signed it, et cetera, because, again, the -- what she    25 did was so egregious, it warranted immediate</p>	<p style="text-align: right;">Page 96</p> <p>1 isn't there, or what have you. But, again, that is    2 determined by Bonnie. And these stores were on her on    3 schedule for when she was supposed to -- what she was    4 supposed to be doing on the given dates in that report,    5 and that was her schedule.    6 Q Okay.    7 A But over a time period of years, yeah, it can    8 vary. We don't have somebody go to the same store for    9 multiple years on end.    10 Q Can you tell me approximately -- would    11 somebody be going to the same stores for only a week at    12 a time, or a month at a time, or six months at a time?    13 A Depends on what type of store it is, and what    14 we're doing with that store. So if we're running a    15 special -- I mean, you go to a grocery store, I'm sure,    16 and buy food -- sometimes you see our products on sale    17 and some not on sale the next week. So that sale was    18 only for that last week. Well, if our product is on    19 sale, we want to promote that sale and get more people    20 to buy the product. And that's what that brand    21 ambassador's job is to do.    22 Once it goes off sale, maybe there's another    23 store that we're on sale with them. So we start    24 shifting our focus to that week -- or -- to that store    25 for that week, or what have you. It's, you know,</p>

<p style="text-align: right;">Page 97</p> <p>1 <b>dictated by what the marketing and sales strategy is at</b>  2 <b>that time.</b></p> <p>3 Q Who set up Grecia's schedule of stores that  4 she needed to hit while she was employed at Real Water?</p> <p>5 A <b>So back to the beginning when I answered this</b>  6 <b>question already -- the overview of it was determined</b>  7 <b>by Jeramy, who was the director of sales. The</b>  8 <b>nitty-gritty --</b></p> <p>9 Q Sorry, not to stop you. But when you say  10 "overview," can you tell me exactly what that means?</p> <p>11 A <b>So if we're going to be targeting, say,</b>  12 <b>Smith's grocery stores, because there were products on</b>  13 <b>sale, that's an overview. It's not saying, "Go to this</b>  14 <b>Smith's at this location at this time." It's, "We need</b>  15 <b>to promote at Smith's for this month." That's kind of</b>  16 <b>an overview.</b></p> <p>17 Q Okay.</p> <p>18 A <b>Bonnie would go into the more detail of</b>  19 <b>saying, "Okay, you're going to go to this store, this</b>  20 <b>location, at this time, in the morning, and then stay</b>  21 <b>there for this many hours, and then in the afternoon,</b>  22 <b>go to this store, this location for this amount of</b>  23 <b>time, the next day" -- on and on.</b></p> <p>24 Q Am I correct that that information was written  25 down into a schedule?</p>	<p style="text-align: right;">Page 99</p> <p>1 A <b>But I do know that the reports that she --</b>  2 <b>every product demonstrator is required to fill out a</b>  3 <b>report for the store that they visit, stating where it</b>  4 <b>was, when they were there, the stock on the shelves,</b>  5 <b>how many bottles they sold, the traffic in the store,</b>  6 <b>even down to the weather, if it was a sunny or a rainy</b>  7 <b>day, depending on, you know, that would affect the</b>  8 <b>traffic in the store, and if the product was on sale,</b>  9 <b>and then have that manager of that store sign off on</b>  10 <b>her visit, or his visit.</b></p> <p>11 Q Those forms that you're just talking about, do  12 they have a specific title at the top?</p> <p>13 A <b>Demo report form, or something along those</b>  14 <b>lines.</b></p> <p>15 Q Okay. For every location that brand  16 ambassador went to in 2015, they would fill out those  17 details you just testified about in a demo report form,  18 and then hand it off to their supervisor; is that  19 correct?</p> <p>20 A <b>Correct, so we could know how well they are</b>  21 <b>performing their job, have proof -- supposed proof at</b>  22 <b>least, in her case -- that she was doing the job. And</b>  23 <b>then we would also use those to calculate the hours</b>  24 <b>that she worked so we could pay her appropriately.</b></p> <p>25 Q I'm wondering, if the brand supervisor only</p>
<p style="text-align: right;">Page 98</p> <p>1 A <b>It could have been written down into an actual</b>  2 <b>calendar format, or it might have been in an e-mail, or</b>  3 <b>it might have been spoken to. Things can -- you know,</b>  4 <b>sometimes they were more organized than other times.</b></p> <p>5 For instance, like, when I used to go on demo  6 trips, I would have my -- sometimes I would plan out a  7 three-week trip, sometimes I would plan out a two-day  8 trip. It just depends on what it is that you're trying  9 to achieve.</p> <p>10 Q Okay. So what is Real Water's position as to  11 how Grecia knew that all the locations listed on page  12 PLTF2, knew that she was supposed to be going to all  13 those locations?</p> <p>14 MS. GINAPP: Objection. Form. Foundation.</p> <p>15 THE WITNESS: It's Real Water's opinion that  16 it was told by her supervisor, just like in any job and  17 position, you're told what to do by your supervisor and  18 you're expected to do it. And that dictates your job  19 performance by how well, or that you do it.</p> <p>20 BY MS. BARRAZA:</p> <p>21 Q Is it Real Water's position that it was  22 verbally told by her supervisor?</p> <p>23 A <b>I can't say to that fact because I wasn't the</b>  24 <b>one that did it. I wasn't there.</b></p> <p>25 Q Okay.</p>	<p style="text-align: right;">Page 100</p> <p>1 verbally tells the brand ambassador about which  2 locations to go to, how is there any way to, you know,  3 verify that and follow up if there's any kind of  4 disagreement between the two about which locations were  5 supposed to be hit?</p> <p>6 A <b>I didn't say what you said.</b></p> <p>7 Q Okay, go on. What's wrong with what I just  8 said?</p> <p>9 A <b>It's not Real Water's position that her</b>  10 <b>schedule was dictated to her verbally. I don't know.</b>  11 <b>I wasn't the one that dictated it to her, and I wasn't</b>  12 <b>involved with her scheduling personally. I don't know</b>  13 <b>if it was through an e-mail, through a text, through</b>  14 <b>a -- written on a calendar schedule, a Google calendar.</b>  15 <b>I don't know, however it was deemed by Bonnie at that</b>  16 <b>time and/or Jeramy of what stores needed to be visited</b>  17 <b>and promoted.</b></p> <p>18 Q So Real Water does not know exactly how or if  19 Grecia was actually given a written list, or a text  20 message, or an e-mail, or a verbal instruction about  21 which stores to hit?</p> <p>22 MS. GINAPP: Objection. Misstates testimony.</p> <p>23 BY MS. BARRAZA:</p> <p>24 Q Is that correct?</p> <p>25 A <b>No, it has not been looked into. I did not</b></p>

<p style="text-align: right;">Page 101</p> <p>1 <b>prepare that information for today.</b></p> <p>2 Q Okay. I want to get into this specific</p> <p>3 document. You mentioned that the first time you saw</p> <p>4 this was after the lawsuit had already been filed; is</p> <p>5 that correct?</p> <p>6 <b>A Correct.</b></p> <p>7 Q Did anybody at Real Water -- was anybody at</p> <p>8 Real Water responsible for reviewing Bonnie's</p> <p>9 filled-out non-optimum report and conducting any kind</p> <p>10 of investigation as to whether or not the statements in</p> <p>11 here are actually true?</p> <p>12 <b>A Depending on the severity of the -- you know,</b></p> <p>13 <b>what happened on the report, depending on the severity</b></p> <p>14 <b>of it procedurally, if it's, say, somebody parked --</b></p> <p>15 <b>double parked in the company parking lot not allowing</b></p> <p>16 <b>somebody else to park in a spot, there's a little bit</b></p> <p>17 <b>of difference between that and actually stealing from</b></p> <p>18 <b>the company. So the general procedure is if it</b></p> <p>19 <b>warrants a further investigation, that investigation</b></p> <p>20 <b>needs to be done. And it's generally done by the human</b></p> <p>21 <b>resources division, or the area senior.</b></p> <p>22 Q In this instance, did any kind of follow-up</p> <p>23 investigation happen with the HR department to</p> <p>24 determine whether or not what Bonnie was saying in this</p> <p>25 document was actually true?</p>	<p style="text-align: right;">Page 103</p> <p>1 <b>A Luckily, she's writing it down now.</b></p> <p>2 Q Okay. And so moving on to the next page --</p> <p>3 <b>A 3?</b></p> <p>4 Q Yes, looking at 3 and 4, am I correct that</p> <p>5 this is a different non-optimum report filled out by</p> <p>6 Bonnie Mercado, dated the same day as the previous one,</p> <p>7 October 8, 2015?</p> <p>8 <b>A Correct.</b></p> <p>9 Q Okay. What's the substance of this specific</p> <p>10 non-optimum report?</p> <p>11 <b>A I think it's pretty self-explanatory. But it</b></p> <p>12 <b>looks like she confronted Grecia about the stores she</b></p> <p>13 <b>had reported that she had gone to to give her an</b></p> <p>14 <b>opportunity to come clean and say, "Well, I actually</b></p> <p>15 <b>didn't go to those stores."</b> But instead she said,</p> <p>16 <b>"Yeah, of course, I see these people every week. Of</b></p> <p>17 <b>course I was there," or, "I knew them."</b></p> <p>18 Q Were there any demo report forms submitted by</p> <p>19 Grecia as related to this time period that Bonnie is</p> <p>20 referring to in her non-optimum reports?</p> <p>21 <b>A I would imagine so, because that's the correct</b></p> <p>22 <b>procedure.</b></p> <p>23 Q When demo reports were filled in and submitted</p> <p>24 to -- I'm sorry -- did you say they were submitted to</p> <p>25 the HR department?</p>
<p style="text-align: right;">Page 102</p> <p>1 <b>A I don't have that information in front of me.</b></p> <p>2 <b>I think I do know that Jeramy did verify some of the</b></p> <p>3 <b>phone calls that were made.</b></p> <p>4 Q Is there any kind of document that would</p> <p>5 support that?</p> <p>6 <b>A I don't have that information with me.</b></p> <p>7 Q Did Jeramy ever tell you that he followed up</p> <p>8 and verified that, with some of these stores, that</p> <p>9 Grecia indeed did not attend those stores?</p> <p>10 <b>A After the fact, after the lawsuit was filed,</b></p> <p>11 <b>and I asked him about what had happened at that time,</b></p> <p>12 <b>he said, yes, he made some of the phone calls to</b></p> <p>13 <b>verify.</b></p> <p>14 Q That was a verbal discussion between you and</p> <p>15 Jeramy?</p> <p>16 <b>A Yes.</b></p> <p>17 Q Did you memorialize that discussion in any</p> <p>18 way?</p> <p>19 <b>A Define "memorialize."</b></p> <p>20 Q Did you write down the details of that</p> <p>21 discussion, or --</p> <p>22 <b>A No.</b></p> <p>23 Q Okay. No?</p> <p>24 <b>A No.</b></p> <p>25 Q Okay.</p>	<p style="text-align: right;">Page 104</p> <p>1 <b>A No.</b></p> <p>2 Q Who are they submitted to?</p> <p>3 <b>A The person's senior.</b></p> <p>4 Q So the demo forms are filled out and submitted</p> <p>5 to the person's senior. What does the person's senior</p> <p>6 do with those?</p> <p>7 <b>A Evaluates it based on the person's job</b></p> <p>8 <b>performance. If you have somebody that, every time</b></p> <p>9 <b>they go to the store, they only sell one bottle, and</b></p> <p>10 <b>you have somebody that goes into a store and they sell</b></p> <p>11 <b>12 cases, one is doing better than the other.</b></p> <p>12 Q Does Real Water store these demo report forms?</p> <p>13 <b>A Yes, there have been records kept on and off</b></p> <p>14 <b>throughout the company's history. It's not something</b></p> <p>15 <b>that we keep as secure or, you know, that type of</b></p> <p>16 <b>thing, like financial records, or employment files, or</b></p> <p>17 <b>things like that, because it's something that's not --</b></p> <p>18 <b>it's just not a type of record that's been given that</b></p> <p>19 <b>importance. But we do have -- kept records in the</b></p> <p>20 <b>past.</b></p> <p>21 Q What other kind of record would verify the</p> <p>22 brand ambassador's actual hours besides the demo report</p> <p>23 forms?</p> <p>24 <b>A The sheet that was submitted for her payroll,</b></p> <p>25 <b>calculation of her hours.</b></p>

<p style="text-align: right;">Page 105</p> <p>1 Q Would Grecia herself fill that out?</p> <p>2 A Uh-huh.</p> <p>3 MS. GINAPP: Is that a "yes"?</p> <p>4 THE WITNESS: Yes.</p> <p>5 BY MS. BARRAZA:</p> <p>6 Q Does that form have a specific title?</p> <p>7 A <b>Employee's hours, or something along those lines. I might be wrong.</b></p> <p>8 Q Who is that form submitted to?</p> <p>9 A <b>Treasury.</b></p> <p>10 Q Who would that be back in 2015?</p> <p>11 A <b>Actually, I take that back. It would have been submitted to Bonnie first, because the manager is supposed to sign off on it. And then after that, it's submitted to treasury or accounting. And the person at the time that was there, her name was Maria Cantoran, C-A-N-T-O-R-A-N.</b></p> <p>12 Q In that employee's hours form, would that just be a basic form where the employees would indicate what time they started working, what time they stopped working?</p> <p>13 A <b>Generally, yes. However, there was -- there was a time where we were using a different system for outside salespeople, brand ambassadors, that type of person, because of them actually being out of the</b></p>	<p style="text-align: right;">Page 107</p> <p>1 <b>happened here. But makes it a little bit harder.</b></p> <p>2 Q Okay. What is Real Water's policy back in 2015 as far as keeping a record of the demo report forms for employees who were terminated?</p> <p>3 MS. GINAPP: Objection. Form.</p> <p>4 THE WITNESS: I don't think there was a specific policy that pertains to the demo report forms, or the merchandising report forms for employees, keeping those records for employees who have been terminated. I don't think we have a specific policy.</p> <p>5 BY MS. BARRAZA:</p> <p>6 Q Turning to the next non-optimum report, page PLTF5, am I correct that this looks like another report filled out by Bonnie, and it's also dated October 8, 2015?</p> <p>7 A <b>Looks like it, yeah.</b></p> <p>8 Q What is your understanding of what this report is about?</p> <p>9 A <b>It looks like Bonnie was expecting to meet Grecia at some point in time to go over what a supervisor and a junior do. And Grecia told her that she couldn't be there because she had a doctor's appointment, and that she had been sick for the last two days, and hadn't been doing her job duties for those two days.</b></p>
<p style="text-align: right;">Page 106</p> <p>1 office and not sitting in the office or under someone's supervision to make sure they were actually there when they said they were being there, where it would list a location, hey, I was at this location for this many hours, I was at this location for this many hours, I was at this location for that many hours. Was that procedure being done when Grecia was working? I don't have that information. I don't know that for yes or no, either way. <b>But I know that that was a procedure that we have used in the past.</b></p> <p>2 Q On the employee's hours forms, would the employees fill out any kind of information aside from just the bare facts of the times they were working?</p> <p>3 A <b>Depends. If they were filling out the simplified version of just how many hours, or if we were using the procedure of -- I was at this location for this amount of time, this location for that amount of time, this location for this amount of time. It depends. There was -- there's -- for the outside personnel that we have to give some trust to, that they're going to be fulfilling their job duties. And we unfortunately usually have to take them on their word. But we have them fill out a form to kind of give us an idea so it at least makes it harder for them to lie. It can't stop them from lying, as you see what</b></p>	<p style="text-align: right;">Page 108</p> <p>1 <b>And, you know, it's totally fine for somebody to be sick. It happens. But, you know, to find out two days after the fact that she wasn't where she was supposed to be doing, what she was supposed to be doing, it's kind of unfair to the company.</b></p> <p>2 Q It looks like to me Grecia signed this non-optimum report. Is that your understanding?</p> <p>3 A <b>Looks like it.</b></p> <p>4 Q Does Real Water have any explanation as to why this non-optimum report was signed, but not the previous two that we've gone over?</p> <p>5 A <b>No official reasoning why. I could tell you my personal opinion is from the text that's there, it looks like Bonnie was getting fairly upset and tired of being lied to by Grecia, so she made it a point to actually get Grecia to sign this one.</b></p> <p>6 Q Would all three of these non-optimum reports that are dated October 8, 2015, would they have all been presented to Grecia at the same exact time?</p> <p>7 A <b>Not necessarily.</b></p> <p>8 Q Is there any kind of policy that lays out any kind of repercussions that will happen if an employee doesn't sign off on a non-optimum report that they are the recipient of?</p> <p>9 A <b>No.</b></p>

<p style="text-align: right;">Page 109</p> <p>1 Q Turning to the last report on page PLTF6, it 2 looks like to me this is also filled out by Bonnie. 3 It's dated the next day, October 9, 2015. Is that your 4 understanding?</p> <p>5 A <b>Looks like it.</b></p> <p>6 Q What's this report about?</p> <p>7 A <b>Looks like another example of some stores that 8 Grecia was supposed to go to, and she reported that she 9 did go to and perform her job duties, that she, in 10 fact, didn't, list out those stores, the manager or 11 person in charge of the store, and actually 12 acknowledged by Grecia that she said she did go to 13 those stores, and she didn't.</b></p> <p>14 Q When you say it was acknowledged by Grecia, in 15 what form did she acknowledge that?</p> <p>16 A <b>She signed it.</b></p> <p>17 Q She signed the non-optimum report?</p> <p>18 A <b>Looks like her signature to me.</b></p> <p>19 Q Okay. So I'm wondering, is it in any way 20 abnormal to have these four consecutive non-optimum 21 reports written about Grecia by Bonnie in a span of two 22 days?</p> <p>23 A <b>Abnormal?</b></p> <p>24 Q Right.</p> <p>25 A <b>For the given circumstances, absolutely not.</b></p>	<p style="text-align: right;">Page 111</p> <p>1 mentioned to Grecia that she needs to actually go to 2 the stores verbally before when she wasn't going to the 3 stores. So then the non-optimum reports were written. 4 And then eventually she was terminated.</p> <p>5 Q Was Real Water on any kind of notice that 6 Grecia and Bonnie did not get along?</p> <p>7 MS. GINAPP: Objection. Assumes facts not in 8 evidence. Form. Foundation.</p> <p>9 THE WITNESS: There was no verbal or written 10 reports at the time. And, again, the written reports 11 was the procedure that was put in place that Grecia 12 acknowledged that she would do should she have any 13 interpersonal disputes within the company.</p> <p>14 BY MS. BARRAZA:</p> <p>15 Q Is it Real Water's position that a system of 16 having three non-optimum reports filled out in the same 17 day, and then one report the next day, and then a 18 termination on the same day as the last report follows 19 its progressive disciplinary system?</p> <p>20 A <b>Repeat the question.</b></p> <p>21 Q Okay. Is it Real Water's position that having 22 three non-optimum reports written by the same person, 23 followed by another non-optimum report written by the 24 same person, followed by a termination the same day as 25 the last non-optimum report, does that fall in line</p>
<p style="text-align: right;">Page 110</p> <p>1 Q How soon after these non-optimum reports were 2 filled out was Grecia terminated?</p> <p>3 A <b>I don't have the exact date on the top of my 4 head, but I'm sure you have the exit paperwork in that 5 stack somewhere. We could look at the date on that.</b></p> <p>6 Q Explain to me Real Water's -- does Real Water 7 have any kind of policy insofar as a progressive 8 disciplinary policy?</p> <p>9 A <b>Absolutely.</b></p> <p>10 Q Explain to me what that is.</p> <p>11 A <b>Generally, we -- the procedure is that if 12 someone does something that is not following along the 13 lines of the policies and procedures of the company, or 14 is not what we expect an employee to do, or what a 15 senior doesn't expect their junior to do, they are 16 verbally told, hey, don't do that, you know, you 17 can't -- you shouldn't do that, that's wrong, some 18 fashion like that.</b></p> <p>19 <b>If they continue to do the same thing, a 20 written report is written on them. If they continue to 21 do it again, more written reports are written on them. 22 If they continue to do it even further, usually ends up 23 in termination. But, again, it depends on the severity 24 of what was being done.</b></p> <p>25 <b>It looks like, per these reports, Bonnie had</b></p>	<p style="text-align: right;">Page 112</p> <p>1 with Real Water's progressive disciplinary structure?</p> <p>2 A <b>I can't speak of to when she was terminated, 3 because, again, as I answered your question earlier, I 4 don't have that date in front of me. You probably do.</b></p> <p>5 Q If I represented to you that she was 6 terminated on October 9, which is the same day as the 7 last non-optimum report was written, would you say that 8 that is still in the line with Real Water's progressive 9 disciplinary structure?</p> <p>10 A <b>Forgive me if -- I would rather see the paper 11 instead of take your word.</b></p> <p>12 Q Okay. That's fine.</p> <p>13 Has Real Water ever terminated anybody on the 14 same exact day that a non-optimum report was written 15 about them?</p> <p>16 A <b>Probably. I could say that it's more than 17 likely that it happened. Again, it all depends on the 18 severity of what they did. In this particular case, 19 she, you know, was saying she was working at a specific 20 location when, in actual fact, and admitted by her, she 21 was not, and getting paid to do so. That's pretty 22 severe. I mean, if you were to steal money from your 23 employer, wouldn't they think it's a problem?</b></p> <p>24 Q I agree it's severe. And I'm wondering what 25 kind of documentation Real Water has that proves that</p>

<p style="text-align: right;">Page 113</p> <p>1 they actually followed up and confirmed that what 2 Bonnie was saying in her non-optimum reports is 3 actually what happened. 4 MS. GINAPP: Objection. Form. Go ahead. 5 THE WITNESS: PLTF6 lists one, two, three -- 6 four stores that Grecia admits she was supposed to go 7 to them, said they went to them. When it was checked, 8 she didn't. 9 BY MS. BARRAZA: 10 Q And the only way that Real Water is saying 11 Grecia admits is because of the signature that's on the 12 bottom of the non-optimum report; is that correct? 13 MS. GINAPP: Objection. Form. 14 THE WITNESS: No, also trusting their 15 employees to do their jobs. I, unfortunately, am one 16 person. I can't do 40 some-odd-peoples' jobs. I have 17 to entrust, as a business owner, that someone else is 18 going to perform those job duties for me, and I have to 19 trust that they're going to do that. And until they 20 prove to me that they're not going to do that, or they 21 don't do that, I have to continue to trust them. I 22 can't do 40 peoples' work in one day. It's impossible. 23 Nobody can. 24 So when you have a company, and you have an 25 employer and an employee structure, the employer trusts</p>	<p style="text-align: right;">Page 115</p> <p>1 BY MS. BARRAZA: 2 Q Okay. Let's go back and say that October 9th 3 was the day of Grecia's termination, now that you have 4 some confirmation of that. Is it still Real Water's 5 position that having had these four non-optimum reports 6 in a row in a span of two days, and then terminating 7 Grecia on the day of the last non-optimum report is 8 still in line with its progressive disciplinary 9 structure? 10 A <b>Yes, because as the reports dictate, she was verbally warned prior to these reports being issued to not say she was going to stores and then not going to the stores. And then the written reports were written and issued, two of them acknowledged by Grecia. And given the severity of what Grecia was actually doing, yes, falls in line with the progressive discipline policy.</b> 11 Q What was Real Water's policy in 2015 insofar as when supervisors would give out verbal warnings to other workers? Is there any kind of documentation that they fill out informing the higher-ups that they gave out a verbal warning? 12 A <b>No, because per the definition of a verbal warning, it's verbal.</b> 13 Q Exactly how is anybody above Bonnie supposed</p>
<p style="text-align: right;">Page 114</p> <p>1 that that employee is going to be doing their job. And 2 you're going to give them the benefit of the doubt, 3 just as we gave Grecia, and until it was proven wrong, 4 just as I give Bonnie and Jeramy that they actually 5 followed up, even more above Grecia's admission that 6 she didn't go to these stores, but that they followed 7 up to the different stores that they said, found that 8 she wasn't actually there. 9 BY MS. BARRAZA: 10 Q Let me point you to -- going back to the 11 admissions I gave you earlier. That's Exhibit 2 -- 12 A <b>I think it's 3.</b> 13 Q Let's go to Admission No. 1, page 3. 14 Am I correct that in Request for Admission 15 No. 1 and the response, Real Water has admitted that 16 Grecia was indeed terminated on October 9, 2015? 17 A <b>That's what this document says. Again, I know we have exit paperwork sitting in that stack somewhere. So we could verify it, based on her signature.</b> 18 Q Do you have any reason to believe that 19 Real Water would lie about when Grecia was terminated 20 on its own responses to these admissions? 21 MS. GINAPP: Objection. Argumentative. 22 THE WITNESS: I don't have any reason to 23 believe that Kristol would have the date wrong, no.</p>	<p style="text-align: right;">Page 116</p> <p>1 to know that she actually gave Grecia a verbal warning? 2 A <b>She talks about it in one of the reports where she says, this is the last straw that she's being lied to by Grecia.</b> 3 Q And you're saying Bonnie talked about it in 4 her own report that she wrote? 5 A <b>Correct.</b> 6 Q Okay. 7 A <b>So when I read the report, that's my interpretation. And obviously, I'm also going off of Bonnie's written account -- or -- verbal account -- excuse me -- that she verbally warned Grecia, "Hey, I'll give you a pass that you didn't go to the store that you said you went to and stole from the company this time, but please don't do it again."</b> 8 Q Does Real Water have any knowledge of anybody besides Bonnie submitting any non-optimum reports about Grecia? 9 A <b>Not to my knowledge.</b> 10 Q Were all of these non-optimum reports stored in Grecia's file after they were submitted? 11 A <b>That's the proper procedure, yes.</b> 12 Q Stored in her HR file? 13 A <b>In her employment file. That's the proper procedure, yes.</b></p>

<p style="text-align: right;">Page 117</p> <p>1 Q So exactly who made the decision that Grecia 2 was going to be terminated?</p> <p>3 <b>A From researching this after the fact of the 4 lawsuit being filed, Bonnie -- that was Bonnie's 5 recommendation, and Jeramy agreed.</b></p> <p>6 Q So Bonnie recommended to Jeramy that Grecia be 7 terminated?</p> <p>8 <b>A Yes.</b></p> <p>9 Q Did Jeramy have sole discretion to decide if 10 an employee was going to be terminated?</p> <p>11 <b>A For the most part, yes. That's his area. 12 He's the manager over that area, and he's given the 13 responsibility of making sure the people that are 14 working underneath him are honest, ethical, producing 15 employees.</b></p> <p>16 Q Did Jeramy give any kind of notice to anybody 17 higher up at Real Water that the decision had been made 18 to terminate Grecia?</p> <p>19 <b>A Not that I'm aware of.</b></p> <p>20 Q Would Jeramy have had a duty to do so?</p> <p>21 <b>A No.</b></p> <p>22 Q Do you know if in this instance Jeramy spoke 23 to anybody else, got anybody else's opinion on whether 24 or not Grecia should be terminated besides Bonnie?</p> <p>25 <b>A I don't know, no.</b></p>	<p style="text-align: right;">Page 119</p> <p>1 word that is in charge of the human resources division, 2 or that person's immediate senior, or their senior 3 senior, depending on the situation and the condition. 4 Generally, people sign the non-optimum reports. Why 5 these two out of the four were not signed, I don't know 6 the specific circumstances. I wasn't in the room. I 7 wasn't doing the procedures.</p> <p>8 BY MS. BARRAZA:</p> <p>9 Q Okay. I want to know, who was in the room and 10 who was doing the procedures?</p> <p>11 <b>A Probably Bonnie, because she had signed -- 12 well, I can tell you this -- based on the procedure of 13 how these reports are done -- again, they're written by 14 the originator -- then the originator either has the 15 option to give it directly to the person they're 16 writing it on for them to sign and acknowledge it then, 17 then turns it into human resources division. Or they 18 can give it to the human resources division and have 19 them actually confront the person, and have them sign 20 it, and then it gets filed in their personnel file.</b></p> <p>21 <b>So per the procedures -- again, I didn't 22 prepare and find this information out as far as the 23 exact time, place, minute-by-minute play action of when 24 Grecia was terminated, who did it, and everything like 25 that. I would imagine there was absolutely a person in</b></p>
<p style="text-align: right;">Page 118</p> <p>1 Q I want to know exactly the process of how 2 Grecia was terminated. Was she called in to the office 3 by somebody, how that went down?</p> <p>4 <b>A Most likely -- again, I wasn't the one that 5 performed the duties of actually terminating her 6 employment -- but the procedure is, yes, you have them 7 come in; there's some documentation that needs to be 8 done, making sure that their final hours are calculated 9 correctly; they acknowledge receipt of their final 10 paycheck, as well as given their final paycheck; and 11 then asked politely to leave the premises.</b></p> <p>12 Q Did Real Water offer Grecia any opportunity to 13 write down her version of what occurred during the days 14 that Bonnie alleged she was not following up on her job 15 duties?</p> <p>16 <b>A Well, per the dates on the report, she had at 17 least a day to do that, at least somewhat of a full 18 24-hour period or more.</b></p> <p>19 Q If an employee doesn't sign off on a 20 non-optimum report, I'm just wondering, how is anybody 21 supposed to know that employee actually saw that 22 non-optimum report?</p> <p>23 MS. GINAPP: Objection. Form. Foundation.</p> <p>24 THE WITNESS: Obviously, there's not a proof 25 of that, and you're having to go off of the person's</p>	<p style="text-align: right;">Page 120</p> <p>1 <b>the room from HR, which I believe was Christian 2 Pantelakis, who signed her exit paperwork. I would 3 imagine probably Jeramy, and potentially Bonnie as 4 well.</b></p> <p>5 Q Okay. So topic number 16 on the list of 6 topics that we're here for today indicates that we're 7 here to --</p> <p>8 <b>A What exhibit are you referring to?</b></p> <p>9 Q Exhibit 1. It indicates that we're here to 10 determine Real Water's knowledge of the circumstances 11 surrounding Plaintiff's termination from Real Water.</p> <p>12 So you listed out a few individuals -- 13 Christine Pantelakis, Jeramy, and Bonnie. Is it fair 14 to say that those individuals would have actual better 15 knowledge of this to testify about that?</p> <p>16 MS. GINAPP: Objection. Form. Foundation.</p> <p>17 THE WITNESS: Which point are you referring to 18 again?</p> <p>19 BY MS. BARRAZA:</p> <p>20 Q Number 16. It's page 3 of Exhibit 1.</p> <p>21 MS. GINAPP: I would also note for the record 22 that number 16 is vague and ambiguous.</p> <p>23 THE WITNESS: So I do have knowledge of the 24 circumstances based on exit paperwork, which you can 25 see that Christian Pantelakis signed that exit</p>

<p style="text-align: center;">Page 121</p> <p>1 paperwork. Obviously, Grecia was there because she    2 signed it as well. And based on the procedures that we    3 have, I would imagine that Jeramy and/or Bonnie were    4 present in the room as well to inform their junior why    5 they were being terminated. And then at that time,    6 human resources department representative would take    7 over and then finish the paperwork and the giving of    8 the final check for hours that she didn't earn because    9 she wasn't doing her job when she said she was, but we    10 paid her anyways, and asking her politely to leave.</p> <p>11 BY MS. BARRAZA:</p> <p>12 Q In your preparation for this deposition, did    13 you actually go and ask Bonnie or Jeramy as to whether    14 they were in the room when Grecia got terminated and    15 whether they were part of actually terminating her and    16 going through any kind of final paperwork with her?</p> <p>17 A <b>I did not ask Jeramy or Bonnie if they were in the room when Grecia was terminated. I did ask them about the investigation that they performed into why they made the decision to terminate her. But I did not ask if they were in the room when she was terminated.</b></p> <p>22 Q And you didn't ask about the specific details    23 of any conversations that took place when Grecia was    24 terminated; is that correct?</p> <p>25 A <b>Ask the question again.</b></p>	<p style="text-align: center;">Page 123</p> <p>1 <b>word-for-word dictation of that.</b>    2 Q Did you get any kind of information, let alone    3 a word-for-word dictation?</p> <p>4 A <b>Yeah, I did. There's some text messages that Grecia sent to Bonnie threatening -- physically threatening, threatening the company, different things. So we have proof of that communication.</b></p> <p>8 Q When did you become aware of those text messages?</p> <p>10 A <b>Upon review of this, after we were filed -- after the lawsuit was filed.</b></p> <p>12 Q Okay. I just want to confirm that there's no document reflecting that the HR department or anyone else reached out to Grecia to try to get her side of the allegations that Bonnie made in the non-optimum reports; is that correct?</p> <p>17 A <b>There is no document specifically stating that Grecia was informed again of her right to challenge the reports. She admitted two of them -- admitted to two of them by her signature. But she also did acknowledge that if she felt like she was being mistreated in any way in the employment agreement, she would submit that in writing, which she did not do.</b></p> <p>24 Q I want to ask you: Back in 2015, after Grecia signed her two employment agreements, was she given a</p>
<p style="text-align: center;">Page 122</p> <p>1 Q You didn't ask Bonnie or Jeramy about any specific details that took place as far as conversations that were had at the time Grecia was terminated; is that correct?</p> <p>5 A <b>Of course I asked specific details. I asked very specific details. I asked them about these reports that have extremely explicit, specific details of a store, the exact address, who the manager was that said that they did not see her. Yes, I got specific details surrounding Grecia's termination.</b></p> <p>11 Q I'm talking about specifically when she was actually called and informed she was terminated, those kinds of specific details.</p> <p>14 A <b>If they were in the room? No, I did not ask if they were in the room.</b></p> <p>16 Q Or what kind of conversations took place at that time?</p> <p>18 A <b>Other than what's in these reports and what's in the exit paperwork and the knowledge of the procedures and the policies of what's supposed to happen when she was -- that were followed when she was terminated, I did do investigation into that, those things. But did I ask for a dictation of the word-by-word conversation between human resources, her superior, and Grecia? No, I did not get a</b></p>	<p style="text-align: center;">Page 124</p> <p>1 copy of those employment agreements for herself to have for her own records?</p> <p>3 MS. GINAPP: Objection. Form. Foundation.</p> <p>4 THE WITNESS: I can't speak to that. I don't know. But anybody is obviously welcome to have a copy of the forms themselves.</p> <p>7 BY MS. BARRAZA:</p> <p>8 Q Did Real Water have any kind of specific policy back in 2015 as far as making sure that the employees are given a copy of the employment agreements that they sign?</p> <p>12 MS. GINAPP: Objection. Form.</p> <p>13 THE WITNESS: There's no written policy or procedure. But generally, if someone asks for it, we'll make a copy for them, and they can keep it for their records.</p> <p>17 BY MS. BARRAZA:</p> <p>18 Q There is no written policy or procedure or verbal --</p> <p>20 A <b>No --</b></p> <p>21 MS. GINAPP: Objection. Sorry. Go ahead. Go ahead and finish.</p> <p>23 BY MS. BARRAZA:</p> <p>24 Q -- or verbal policy or procedure to offer to make them a copy of the employment agreements; is that</p>

<p style="text-align: right;">Page 125</p> <p>1 correct?</p> <p>2 MS. GINAPP: Objection. Form.</p> <p>3 THE WITNESS: No. It's not a policy and</p> <p>4 procedure that someone is to offer their employment</p> <p>5 agreement. But if they are asked, they can absolutely</p> <p>6 give it to them. I can't recall anybody ever asking</p> <p>7 for it. Generally, people don't have a problem with</p> <p>8 it, and it is what it is, and they are excited about</p> <p>9 actually doing their job.</p> <p>10 BY MS. BARRAZA:</p> <p>11 Q Okay. So we've discussed the orientation</p> <p>12 videos, being "The Secret," "The Way to Happiness,"</p> <p>13 "Message to Garcia," the "Real Water Culture," and</p> <p>14 "Just Do It." Aside from those orientation videos, are</p> <p>15 there any other kind of courses that the employees took</p> <p>16 part in back in 2015?</p> <p>17 MS. GINAPP: Objection. Form.</p> <p>18 THE WITNESS: Yeah. There's the business</p> <p>19 management courses that we offer to people to do which</p> <p>20 go over things like statistics, measure of their</p> <p>21 production in their position, a filing system known as</p> <p>22 Three In-Basket Filing System -- the top basket is</p> <p>23 "in," middle basket is "pending," bottom is "out" --</p> <p>24 internal office communications, a way to request for a</p> <p>25 new computer or something that you might want or need</p>	<p style="text-align: right;">Page 127</p> <p>1 earning more money.</p> <p>2 BY MS. BARRAZA:</p> <p>3 Q What did Grecia start out earning when she</p> <p>4 came to work at Real Water?</p> <p>5 A I don't have the exact figure off the top of</p> <p>6 my head, but I would knowledge somewhere between \$10,</p> <p>7 \$15, somewhere in there. We don't actually pay anybody</p> <p>8 minimum wage in our company. We pay a few dollars</p> <p>9 over.</p> <p>10 MS. BARRAZA: Let's do this next.</p> <p>11 (Exhibit 7 marked)</p> <p>12 BY MS. BARRAZA:</p> <p>13 Q I'll direct your attention just to the first</p> <p>14 page in this packet of Exhibit 7, marked as page RW-60.</p> <p>15 Do you recognize this document?</p> <p>16 A Uh-huh.</p> <p>17 Q What is this document?</p> <p>18 A It is a memo, office memo.</p> <p>19 Q What is this memo about?</p> <p>20 A The courses offered by Real Water.</p> <p>21 Q Are these the optional courses that we were</p> <p>22 just talking about?</p> <p>23 A Yes. It says, "We are offering."</p> <p>24 Q Okay. This document, how was it distributed</p> <p>25 to the employees?</p>
<p style="text-align: right;">Page 126</p> <p>1 to fulfill your job duties. These are just examples of</p> <p>2 what is contained in the management policies and</p> <p>3 procedures in the courses.</p> <p>4 BY MS. BARRAZA:</p> <p>5 Q Was the business management system a required</p> <p>6 course system, or was that optional?</p> <p>7 A It's optional for entry-level employees and</p> <p>8 non-managerial. However, we do expect the managers to</p> <p>9 do some of the courses.</p> <p>10 Q As a brand ambassador, was it optional for</p> <p>11 Grecia to participate in these business management</p> <p>12 courses?</p> <p>13 A Was it optional?</p> <p>14 Q Right.</p> <p>15 A Yes, it was optional for her to do so. And I</p> <p>16 don't believe she ever took part in it.</p> <p>17 Q Is there any kind of reward system that</p> <p>18 Real Water offered for its employees who decided to</p> <p>19 complete the optional courses?</p> <p>20 MS. GINAPP: Objection. Form.</p> <p>21 THE WITNESS: Yes. If they completed a</p> <p>22 course, we would give them a 25-cent-per-hour raise</p> <p>23 because we viewed them by learning those tools and</p> <p>24 techniques and procedures, that they would be a more</p> <p>25 effective and productive employee. Hence, worth</p>	<p style="text-align: right;">Page 128</p> <p>1 A It might have been hard copy or e-mail.</p> <p>2 Q Am I correct that this Real Water Course Memo</p> <p>3 would have been distributed to employees after they had</p> <p>4 already been hired?</p> <p>5 A It's not a continuous memo that goes out. It</p> <p>6 was probably issued at one point in time, and then kept</p> <p>7 on file, which I don't know if behind these black lines</p> <p>8 there's the actual date which is potentially outside of</p> <p>9 when Grecia was employed. I don't know.</p> <p>10 Q So does this Real Water Course Memo -- has the</p> <p>11 list of courses changed over a period of time?</p> <p>12 A No. It's been the same.</p> <p>13 Q Has Real Water ever implemented any different</p> <p>14 version of the Real Water Course Memo?</p> <p>15 A Not to my knowledge.</p> <p>16 Q Are the employees given this Real Water Course</p> <p>17 Memo with this list of courses at the time that they</p> <p>18 sign their employment agreements?</p> <p>19 A It's not standard procedure, no. But if they</p> <p>20 ask about it, this could be something that would be</p> <p>21 offered to them.</p> <p>22 Q Okay. I want to go over these courses. I</p> <p>23 looks like there's 18 listed on here. Where did</p> <p>24 Real Water get these courses from?</p> <p>25 A Either through WISE or Hubbard College of</p>

<p style="text-align: right;">Page 129</p> <p>1 <b>Administration.</b> Prior to a few years ago, WISE sold 2 and licensed -- we buy the license to use these. So we 3 don't pay -- somebody doesn't pay us to do it. We 4 actually have to pay because we use their copyright. 5 So we pay WISE to have license to be able to use these 6 courses. And a few years, two or three years ago prior 7 to that, we purchased the course materials, et cetera, 8 from WISE. But like I said, two or three years ago, 9 they switched over to where actually the Hubbard 10 College of Administration sells the course materials. 11 Q What is WISE? 12 A WISE is an organization that offers the 13 Management Technology, Hubbard Management Technology, 14 and helps to get companies to utilize this type of 15 policies, procedures, techniques to help increase that 16 company's efficiency and overall success. 17 Q Does WISE have any kind of connection to 18 Scientology? 19 MS. GINAPP: Objection. Foundation. 20 THE WITNESS: It's a separate entity. 21 BY MS. BARRAZA: 22 Q What does "WISE" stand for? 23 MS. GINAPP: Objection. Foundation. 24 THE WITNESS: I believe it stands for "World 25 Institute of Scientology Enterprises."</p>	<p style="text-align: right;">Page 131</p> <p>1 BY MS. BARRAZA: 2 Q Okay. You pay a licensing fee. 3 Is that correlated in any way with any kind of 4 membership that Real Water has or had with WISE? 5 A Yeah, when you pay the money, you're 6 considered to be a WISE member. 7 Q When did Real Water become a WISE member? 8 A I don't know the exact date, but I would 9 imagine it's somewhere in between 10 and 15 years ago. 10 Q Is there any kind of policy Real Water has of 11 disclosing to its employees that it is a -- or was a 12 WISE member? 13 A Other than what's in the employment agreement 14 showing the difference between the Hubbard Management 15 Technology is a secular technology and the religion of 16 Scientology and how they are different, no. 17 Q So explain to me, now that Real Water gets the 18 courses from Hubbard College of Administration, is 19 Real Water a member of that administration? 20 A No. 21 Q Is Real Water still a member of WISE? 22 A Yes. WISE is a non-religious secular entity. 23 Q Does Real Water pay any kind of dues, annual 24 dues, or monthly dues to WISE? 25 A Annual.</p>
<p style="text-align: right;">Page 130</p> <p>1 BY MS. BARRAZA: 2 Q Is there anywhere on this course memo where 3 Real Water indicates that it gets the courses from 4 WISE? 5 MS. GINAPP: Objection. The document speaks 6 for itself. 7 THE WITNESS: I don't see somewhere, no. 8 BY MS. BARRAZA: 9 Q Is there any reason that that's not included 10 on the Real Water Course Memo? 11 A <b>Irrelevancy.</b> 12 Q Real Water doesn't find it relevant to inform 13 its employees exactly where it got these courses? Is 14 that what you're saying? 15 A If they ask, it's more than -- we're more than 16 willing to explain and tell them. But just like I 17 wouldn't tell you what I had for lunch today, it's just 18 something that -- unless somebody asks, we're not going 19 to, you know, say it. 20 Q I think you mentioned a few years ago, 21 Real Water would buy the license to use the courses 22 from WISE; is that correct? 23 MS. GINAPP: Objection. Misstates testimony. 24 THE WITNESS: We pay licensing fee. 25 ////</p>	<p style="text-align: right;">Page 132</p> <p>1 Q What's the annual dues that it pays? 2 A I think it's somewhere in the realm of \$1,000. 3 I can't -- there's different levels. And I don't know 4 the exact total off the top of my head. But it's 5 somewhere in the realm of \$1,000 a year. 6 Q So am I correct that that membership paid for 7 the right to use the courses, or was there a separate 8 fee that had to be paid? 9 A No. That membership gives you the licensing 10 rights to use the course materials. 11 Q How did the decision come to be made to start 12 using WISE courses at Real Water? 13 MS. GINAPP: Objection. Asked and answered. 14 THE WITNESS: Going back to when you asked 15 this before -- my father did some courses at the 16 Hubbard College of Administration. He found that it 17 would be useful in his company, in his business, and 18 decided to incorporate it. 19 BY MS. BARRAZA: 20 Q From the beginning, have these courses always 21 been optional? 22 A As far as I know, yes. 23 Q From the beginning, have they always been 24 correlated with a 25-cent raise? 25 A No, I'm not sure from the beginning of that</p>

<p style="text-align: right;">Page 133</p> <p>1 <b>offer to employees. I know we've given this for quite</b>  2 <b>some years, 25 cents per course a person completes.</b>  3 <b>But I don't know if it was before or not, or for how</b>  4 <b>long, if we did it before, I know when we weren't,</b>  5 <b>et cetera.</b></p> <p>6 Q How was the decision made about the 25-cent  7 raise specifically?</p> <p>8 <b>A We wanted to give people encouragement to do</b>  9 <b>the courses because we have certain procedures that we</b>  10 <b>follow within the company. And if someone doesn't know</b>  11 <b>those procedures, then they aren't able to work</b>  12 <b>effectively and efficiently.</b></p> <p>13 You know, if you don't know the rules of how  14 to drive, you're not going to be a very good driver.  15 So we wanted to incentivize people to take initiative  16 to, you know, do those courses. And so we came up with  17 the decision to give them a 25-cent raise because if  18 they did the courses, they would be a more productive  19 employee. Hence, earning more wage. And we like to  20 pay people more.</p> <p>21 MS. BARRAZA: Let's go off the record and take  22 a break, five minutes.</p> <p>23 THE WITNESS: Okay.</p> <p>24 (Recess)</p> <p>25 /////</p>	<p style="text-align: right;">Page 135</p> <p>1 no?</p> <p>2 <b>A Administered? Yes, if they took part in the</b>  3 <b>course, because this is a procedure of having somebody</b>  4 <b>do the course, and then receive the raise.</b></p> <p>5 <b>Distributed? Probably not, because it looks like</b>  6 <b>somebody's personal notes on how to do their job.</b></p> <p>7 Q Do you know whose personal notes these are?</p> <p>8 <b>A No, I don't know. Doesn't say.</b></p> <p>9 Q Whose responsibility was it to ensure that  10 employees got their 25-cent raise if they completed an  11 optional Real Water course?</p> <p>12 <b>A Well, there's a few people delineated in this</b>  13 <b>document in that procedure. The person that's in</b>  14 <b>charge of administering the courses has them actually</b>  15 <b>do the course. And then they compile what's called a</b>  16 <b>Completed Staff Work, or a CSW, which basically is a</b>  17 <b>form that's used for the request and approval, or just</b>  18 <b>approval of something, whether it be a raise, a new</b>  19 <b>computer for your workstation, days off, anything.</b>  20 <b>That would come to me, and I would review the course</b>  21 <b>that was done, make sure that the check sheet was</b>  22 <b>completed, they signed off on every step, make sure</b>  23 <b>that they, you know, did the different exercises, or</b>  24 <b>essays, or written things that were asked of them. If</b>  25 <b>they did, then I would approve it, and it would go to</b></p>
<p style="text-align: right;">Page 134</p> <p>1 BY MS. BARRAZA:</p> <p>2 Q Before we left off, you were explaining some  3 of the details regarding the 25-cent raise that  4 Real Water offers in return for the employees who  5 decide to participate in the optional Real Water  6 courses. I'm wondering, is there any specific reason  7 why 25 cents was selected as opposed to any other  8 number?</p> <p>9 <b>A We deemed it as a satisfactory advance.</b></p> <p>10 Q Who was involved in that decision?</p> <p>11 <b>A Myself, Brent Jones.</b></p> <p>12 Q All right. So we've reviewed that, on the  13 Real Water Course Memo marked as Exhibit 7, there's no  14 indication that these courses are provided by WISE. Is  15 there any kind of verbal notification that's given to  16 Real Water employees telling them that WISE has  17 provided these courses to Real Water?</p> <p>18 <b>A No, because we have the license rights to use</b>  19 <b>them when we pay the membership.</b></p> <p>20 Q Let's go to the next page on Exhibit 7, marked  21 as RW-61. Have you ever seen this document?</p> <p>22 <b>A No. It looks like somebody's notes, or</b>  23 <b>something.</b></p> <p>24 Q Does this look to you to be something that  25 would be administered to the whole entire company, or</p>	<p style="text-align: right;">Page 136</p> <p>1 treasury, who would then increase their pay rate. And  2 then that would then go back to human resources and be  3 filed in their personnel file. So there's a few people  4 that are responsible for that procedure.</p> <p>5 Q How long have you been responsible for your  6 portion of approving the documents that the employees  7 submit in order to get their raises?</p> <p>8 <b>A A few years.</b></p> <p>9 Q Would you say going back to prior to 2015 at  10 least?</p> <p>11 <b>A Yes.</b></p> <p>12 Q Is this review that you do of the completed  13 course documents similar to the review that would take  14 place for the orientation videos?</p> <p>15 <b>A No. I would look a little bit more in depth</b>  16 <b>in these. Again, I would make sure that the check</b>  17 <b>sheet is signed off and they completed every step. I</b>  18 <b>would go over some of the written practical assignments</b>  19 <b>that were part of the course. Generally, I look at the</b>  20 <b>final one, because the final one is like -- the sort of</b>  21 <b>overall general theme is, "Tell me what you learned in</b>  22 <b>this course." It's kind of an overview asking the</b>  23 <b>person of the course. And I'll read through that. And</b>  24 <b>as long as it seems like, you know, they have some</b>  25 <b>knowledge of what the course was about, that they</b></p>

<p style="text-align: right;">Page 137</p> <p>1 <b>actually did it, and they're not just filling out a</b>    2 <b>paper and saying they did it, I will approve it, and on</b>    3 <b>it goes down the line.</b></p> <p>4 Q Understood.</p> <p>5 Have you personally read and gone through all    6 of the 18 courses listed on the Real Water Course Memo?</p> <p>7 A <b>At one time or another.</b></p> <p>8 Q So you would be able to ascertain by reading    9 somebody's review whether or not they had actually    10 taken part in the course and they're not just making    11 things up; is that correct?</p> <p>12 A <b>To a certain degree, because, you know, some</b>    13 <b>people are artists at BS.</b></p> <p>14 Q Okay.</p> <p>15 A <b>To me, that's the intention, is, I'm trying to</b>    16 <b>make sure that they actually did the course. And, you</b>    17 <b>know, I'd like to see that they got something out of</b>    18 <b>it.</b></p> <p>19 Q Have you ever reviewed somebody's course    20 documents and decided that you did not approve it and    21 they would not be getting the raise?</p> <p>22 A <b>Yeah.</b></p> <p>23 Q On how many occasions was that?</p> <p>24 A <b>Over the years that I have done it -- I don't</b>    25 <b>know -- 20 or 30. But every single one of them then</b></p>	<p style="text-align: right;">Page 139</p> <p>1 the packet, would you say that the remaining pages are    2 part of what you just described for the ProveIt!    3 system?</p> <p>4 A <b>Yeah, it looks like this form is similar to</b>    5 <b>the other form except for you can order six tests at</b>    6 <b>once instead of one.</b></p> <p>7 Q You're talking about the form on page 63?</p> <p>8 A <b>Yes, comparing 63 to 62.</b></p> <p>9 Q Okay. What about 64?</p> <p>10 A <b>Looks like that's a copy of 62.</b></p> <p>11 Q So do those ProveIt! documents have anything    12 at all to do with the Real Water courses that it    13 offers?</p> <p>14 A <b>No.</b></p> <p>15 Q Okay. Did Real Water ever inform ADP that it    16 was conducting this optional course program?</p> <p>17 A <b>Yes.</b></p> <p>18 Q When was that?</p> <p>19 A <b>When we started their services.</b></p> <p>20 Q What approximate date was that?</p> <p>21 A <b>Oh, shoot -- I know I looked that up. I think</b>    22 <b>it was two and a half years ago, if I remember,</b>    23 <b>somewhere in that line, two years ago.</b></p> <p>24 Q How was ADP put on notice about the Real Water    25 courses?</p>
<p style="text-align: right;">Page 138</p> <p>1 <b>went back and fixed the corrections that I gave them</b>    2 <b>and eventually finished it and got the raise.</b></p> <p>3 Q So would you write down the actual    4 corrections, write down what was wrong about it, and    5 then hand the documents back to them?</p> <p>6 A <b>Yes. There's a place on the form that they</b>    7 <b>file, and it says, "Approve," "Disapprove." If I check</b>    8 <b>"Disapprove," below it says, "If disapproved, why," and</b>    9 <b>that's where I would write, you know, "The check sheet</b>    10 <b>Section 7A was blank, did you actually do this?" Or,</b>    11 <b>you know, "There was no final essay," or things like</b>    12 <b>that.</b></p> <p>13 Q Okay. Going on to the next page, RW-62, what    14 is this document?</p> <p>15 A <b>It looks like it is an efficiency, or some</b>    16 <b>sort of grading test for candidates for a position</b>    17 <b>that's offered through ADP TotalSource. And it looks</b>    18 <b>like you fill this out, and it's an order or an</b>    19 <b>acknowledgment that you want to have this test</b>    20 <b>performed for this candidate to see if, you know,</b>    21 <b>they're proficient in typing, or managerial techniques,</b>    22 <b>or sales. Or some of the ones we do, because we deal</b>    23 <b>in manufacturing, are mechanical aptitude. Things like</b>    24 <b>that.</b></p> <p>25 Q Okay. Then looking through the remainder of</p>	<p style="text-align: right;">Page 140</p> <p>1 A <b>There's -- I don't want to call it an</b>    2 <b>interview process -- but there's like a, you know,</b>    3 <b>question-and-answer process when you start with their</b>    4 <b>services. And they go, "Okay, so tell us about your</b>    5 <b>business, how do you evaluate your employees?" Because</b>    6 <b>every company is different, sometimes, you know,</b>    7 <b>companies have a very sort of structured employment</b>    8 <b>evaluation procedure where it's like every six months,</b>    9 <b>we have the review, and this is what we do. Or it's,</b>    10 <b>you know, wow, that person did an excellent job, I'm</b>    11 <b>going to give them a raise. You know, every company is</b>    12 <b>different. So they kind of find out, "Okay, how do you</b>    13 <b>do this, how do you do that?" And that type of thing.</b></p> <p>14 Q So the details of the Real Water Course Memo    15 would have been filled out in that questionnaire that    16 you just testified about; is that correct?</p> <p>17 A <b>I don't know if that exact memo was issued to</b>    18 <b>ADP. But the information that it pertains to, yes, was</b>    19 <b>given to ADP.</b></p> <p>20 Q Including that it was an optional program, and    21 that the employees received a 25-cent raise if they    22 completed any of the courses?</p> <p>23 A <b>I would imagine so, yes.</b></p> <p>24 Q Did Real Water ever receive any kind of    25 feedback or statement from ADP regarding the Real Water</p>

<p style="text-align: right;">Page 141</p> <p>1 course program?</p> <p>2 <b>A To what effect?</b></p> <p>3 Q Just at all, stating this is a good idea, or</p> <p>4 this is bad? Anything? Any communications at all?</p> <p>5 <b>A Not to my knowledge.</b></p> <p>6 Q Okay.</p> <p>7 <b>A Oh, there's a few of them.</b></p> <p>8 Q Is it Real Water's position that no version of</p> <p>9 the Real Water Course Memo ever identified that the</p> <p>10 courses being offered were WISE courses?</p> <p>11 MS. GINAPP: Objection. Asked and answered.</p> <p>12 THE WITNESS: Was there ever an official</p> <p>13 document distributed saying these courses are from</p> <p>14 WISE?</p> <p>15 BY MS. BARRAZA:</p> <p>16 Q Or anything to that effect, yes.</p> <p>17 <b>A I believe we had at one time in one of our</b></p> <p>18 <b>employment agreements, they talked about the Hubbard</b></p> <p>19 <b>technology saying we get it from WISE, and that type of</b></p> <p>20 <b>thing. But because it didn't seem as pertinent</b></p> <p>21 <b>information when it was evaluated and reviewed and</b></p> <p>22 <b>altered for whatever various reasons, depending on the</b></p> <p>23 <b>different sections that are in the employment</b></p> <p>24 <b>agreement, that one was removed and that wording was</b></p> <p>25 <b>changed, or however, it got, you know, lost in</b></p>	<p style="text-align: right;">Page 143</p> <p>1 mention of a spiritual being, or addressing the person</p> <p>2 as a spiritual being, or the afterlife.</p> <p>3 BY MS. BARRAZA:</p> <p>4 Q In any documents that were provided to the</p> <p>5 employees in 2015, did Real Water specifically give</p> <p>6 that definition as to what "religious" means to its</p> <p>7 employees?</p> <p>8 <b>A No. I think it's commonly understood.</b></p> <p>9 Q Let's go to the Basic Study Manual. It's</p> <p>10 marked as number 1 on the Real Water Course Memo.</p> <p>11 Are you familiar with what the Basic Study</p> <p>12 Manual is about?</p> <p>13 <b>A Yep. I did that course when I was nine years</b></p> <p>14 <b>old.</b></p> <p>15 Q Okay. What's it about?</p> <p>16 <b>A It gives you tools and techniques to study</b></p> <p>17 <b>better, be able to retain knowledge that you're trying</b></p> <p>18 <b>to learn, and actually be able to apply it and use it</b></p> <p>19 <b>instead of, you know, read something, and then five</b></p> <p>20 <b>minutes later, forget -- "What did I just read?"</b></p> <p>21 Q In what ways does the Basic Study Manual</p> <p>22 benefit people that were in Grecia's position,</p> <p>23 specifically brand ambassadors?</p> <p>24 <b>A So it benefits them -- well, first off, she</b></p> <p>25 <b>never did any of the courses. But if she was to, or</b></p>
<p style="text-align: right;">Page 142</p> <p>1 <b>translation, so to speak.</b></p> <p>2 Q And that would have all taken place prior to</p> <p>3 Grecia being hired; is that correct?</p> <p>4 <b>A Yes, because of the employment agreements</b></p> <p>5 <b>that, you know, she has are on file.</b></p> <p>6 Q Okay. So is it Real Water's position that all</p> <p>7 18 of these optional courses are non-religious?</p> <p>8 <b>A Absolutely.</b></p> <p>9 Q How did Real Water form that position?</p> <p>10 <b>A Because it comes from a secular entity. And</b></p> <p>11 <b>in none of these courses does it talk about someone as</b></p> <p>12 <b>a spiritual being or address the afterlife, which are</b></p> <p>13 <b>the requisites to be religious.</b></p> <p>14 Q How was Real Water informed that WISE was a</p> <p>15 secular entity?</p> <p>16 <b>A I'd imagine it's part of WISE's, you know,</b></p> <p>17 <b>literature or their materials that they give out to</b></p> <p>18 <b>inform the public about their services that they have</b></p> <p>19 <b>and their products.</b></p> <p>20 Q Did Real Water ever perform any kind of its</p> <p>21 own due diligence or investigation as to whether WISE</p> <p>22 was actually a secular entity?</p> <p>23 MS. GINAPP: Objection. Form.</p> <p>24 THE WITNESS: Other than -- well, yes.</p> <p>25 Courses were done, and it was seen that there was no</p>	<p style="text-align: right;">Page 144</p> <p>1 <b>why it's offered to them, is because our product is a</b></p> <p>2 <b>product that is a little bit different. It's not just</b></p> <p>3 <b>a brand of something. It has some basis to it, or some</b></p> <p>4 <b>sort of scientific facts that go along with it. It's</b></p> <p>5 <b>alkalized, negatively ionized, so there's a little bit</b></p> <p>6 <b>of science behind it. And someone needs to know and</b></p> <p>7 <b>understand that to be able to communicate that to a</b></p> <p>8 <b>prospective customer.</b></p> <p>9 <b>And like I said, I've done over 300 demos</b></p> <p>10 <b>myself personally. And, believe me, you get some crazy</b></p> <p>11 <b>questions. And sometimes, you know, I don't know what</b></p> <p>12 <b>the answer of it is, and I'll go and say, "Hey, you</b></p> <p>13 <b>know what, finish your grocery shopping, give me five</b></p> <p>14 <b>minutes, I'm going to go research this on my phone, and</b></p> <p>15 <b>then I'll get back to you with an answer." And if you</b></p> <p>16 <b>don't know how to study and research and be able to</b></p> <p>17 <b>answer a question or retain knowledge about something,</b></p> <p>18 <b>you're not going to be very good at explaining</b></p> <p>19 <b>something to somebody.</b></p> <p>20 Q Since, as you mentioned, Grecia didn't</p> <p>21 complete the Basic Study Manual, she, therefore, was</p> <p>22 not eligible for any compensation in the form of a</p> <p>23 25-cent raise; is that correct?</p> <p>24 MS. GINAPP: Objection. Form. Foundation.</p> <p>25 Go ahead.</p>

<p style="text-align: right;">Page 145</p> <p>1       THE WITNESS: To my understanding, she never 2 started it -- 3 BY MS. BARRAZA: 4       Q Okay. 5       <b>A -- which was totally fine. It wasn't an</b> 6 <b>issue.</b> 7       Q Does Real Water management ever follow up with 8 the employees to check on if they're completing the 9 Real Water courses? 10      MS. GINAPP: I'm going to object as to form. 11      THE WITNESS: Well, we talked about before, 12 there is a procedure for them to get their raises, and 13 it needs to be approved. I'm the manager of the 14 company, so -- 15 BY MS. BARRAZA: 16      Q For an employee who decides that they don't 17 want to participate, they don't want to do any of the 18 courses, is anybody ever following up with that 19 employee asking them, "Why don't you want to do these 20 courses," or anything to that effect? 21      MS. GINAPP: A non-managerial employee or a 22 managerial employee? 23 BY MS. BARRAZA: 24      Q For a non-managerial employee who decides they 25 don't want to complete the courses, is a managerial</p>	<p style="text-align: right;">Page 147</p> <p>1 litigation by Real Water. 2       <b>A Yep.</b> 3       MS. GINAPP: I'm going to lodge a continuing 4 objection to the use of this exhibit as being 5 incomplete. 6 BY MS. BARRAZA: 7       Q Okay. Let's go over a few of these things. I 8 want to start with -- let's just start with page 152. 9 Is this a form that the employees would actually have 10 to fill out, or no? 11      <b>A The schedule?</b> 12      Q Right. 13      <b>A It's encouraged that the people set a schedule</b> 14 <b>throughout the work week. However, you know, things</b> 15 <b>come up, people get busy, you know, sometimes it's hard</b> 16 <b>for people to make a schedule. But it's encouraged for</b> 17 <b>people to make a schedule to go to the course room at</b> 18 <b>Real Water.</b> 19      Q Would this be something that's required to be 20 filled out if the employee wants to get the 25-cent 21 raise? 22      <b>A No.</b> 23      Q Okay. Let's go to page 155. Am I correct in 24 assuming that the blank lines on the right-hand side of 25 this page and on the pages that follow means that</p>
<p style="text-align: right;">Page 146</p> <p>1 employee then ever following up and inquiring as to 2 why? 3       <b>A No, no one follows up with them. I mean, when</b> 4 <b>they say, "Hey, I don't want to do this," they might be</b> 5 <b>posed a question of, you know, "Why," or, "Do you have</b> 6 <b>a problem with it," or, "Do you disagree with it in</b> 7 <b>some way," or you know, something along those lines,</b> 8 <b>because, you know, maybe they have misinformation, or</b> 9 <b>maybe there's a misunderstanding about something, or --</b> 10 <b>you know, that can be cleared up, and then, you know,</b> 11 <b>both parties will be happy to proceed. But there's no,</b> 12 <b>like, "Oh, six months, we're going to go back and talk</b> 13 <b>to that person." No, we don't do that, and there's no</b> 14 <b>procedure or policy to do that.</b> 15      Q Are any of these courses based on Scientology 16 teachings? 17      <b>A No.</b> 18      MS. GINAPP: Objection. Form. Foundation. 19      THE WITNESS: Absolutely not. 20      MS. BARRAZA: This is next. 21                   (Exhibit 8 marked) 22 BY MS. BARRAZA: 23      Q I've just handed you what's been marked 24 Exhibit 8, which is relevant pages from the Basic Study 25 Manual Course which was disclosed to us in this</p>	<p style="text-align: right;">Page 148</p> <p>1 that's where the employee would mark their initials 2 that they've actually read and completed those 3 sections? 4       <b>A Yes.</b> 5       Q Okay. 6       <b>A Looks like it.</b> 7       Q So part of your duty would be to make sure 8 that all of these lines have been initialed; is that 9 correct? 10      <b>A Uh-huh.</b> 11      Q "Yes"?12      <b>A Yes.</b> 13      Q Okay. Going to page 162, number 15, 14 Section A, it asks the reader to look up the word 15 "nonbeliever." Is it Real Water's position that that 16 in any way imposes any kind of religious undertones to 17 the employees? 18      MS. GINAPP: Objection. Form. 19      THE WITNESS: No, because if you read the 20 section prior to that in the actual course book, and 21 you'll see that it's teaching a person that -- how to 22 look up a prefix for a word, and then the root of the 23 word to find the meaning of the subsequent whole. It's 24 simply a word that was used to demonstrate prefix and 25 root word.</p>

<p style="text-align: right;">Page 149</p> <p>1 BY MS. BARRAZA:  2 Q When you are reviewing these filled-out Basic  3 Study Manual Courses, what definition do you look for  4 when somebody writes out their definition for  5 "nonbeliever"?  6 <b>A I don't look at that. Generally, I don't.</b>  7 Q What is Real Water's position as to what the  8 definition for "nonbeliever" would be?  9 MS. GINAPP: Objection. Form. Foundation.  10 THE WITNESS: We generally go off of  11 Merriam-Webster.  12 BY MS. BARRAZA:  13 Q Okay. Does Real Water understand at all how  14 some employees might see the word "nonbeliever" and  15 take it to mean something religious related?  16 MS. GINAPP: Objection. Form. Foundation.  17 THE WITNESS: No. I think you're stretching  18 it a little bit there.  19 BY MS. BARRAZA:  20 Q Let's go to page 249. Can you read into the  21 record the second paragraph, what is marked as the "End  22 Note" of the Basic Study Manual Course?  23 <b>A And this check sheet is not the one that we  24 use in the course room.</b>  25 Q I'm sorry. When you say "check sheet," what</p>	<p style="text-align: right;">Page 151</p> <p>1 <b>any aspect of your life."</b>  2 Q Okay. Now, explain to me how Real Water does  3 not see that statement as an endorsement of  4 Scientology?  5 MS. GINAPP: Objection. Argumentative.  6 THE WITNESS: It sees it that way because this  7 isn't the course check sheet that's used.  8 BY MS. BARRAZA:  9 Q So you would agree with me that that statement  10 actually does promote Scientology?  11 MS. GINAPP: Objection. Misstates testimony.  12 Argumentative.  13 THE WITNESS: No.  14 BY MS. BARRAZA:  15 Q Okay. So --  16 <b>A I don't think it applies because Grecia never  17 did this course, nor saw this document, or the one  18 that's actually in use.</b>  19 Q Now, let me ask you: When the employees first  20 start an optional course, is there any kind of system  21 where they -- like, kind of a checking system, they're  22 checking out this course to mark down that they are  23 beginning a course?  24 <b>A Other than this check sheet? No.</b>  25 Q So Real Water has no -- for example, if</p>
<p style="text-align: right;">Page 150</p> <p>1 are you talking about?  2 <b>A This is a check sheet, because you go through  3 and you check off the different things that you've  4 done.</b>  5 Q Okay.  6 <b>A It's a check sheet that accompanies the  7 course.</b>  8 Q Okay.  9 <b>A This isn't the check sheet that we actually  10 use. It was erroneously submitted by an employee that  11 doesn't have the experience nor responsibility over the  12 area, unfortunately. And it's not the correct check  13 sheet.</b>  14 MS. GINAPP: Go ahead and answer the question,  15 if she still wants you to.  16 BY MS. BARRAZA:  17 Q Yes. Do you want me to repeat it?  18 <b>A You just want me to read that, right? It's  19 not a question. You're asking me to do something.</b>  20 Q I'm asking you to do something as a question.  21 Go ahead.  22 <b>A "There's a further Scientology service  23 available which you should now do which is designed to  24 bring you greater success and happiness in your work,  25 your social life, your relationships with others, or</b></p>	<p style="text-align: right;">Page 152</p> <p>1 Grecia, hypothetically, had gone to HR and said she  2 wants to start the Basic Study Manual Course, at that  3 time when she was given the course, is there any kind  4 of memorialization that Grecia was given the course?  5 <b>A No.</b>  6 Q So I'm asking: How does Real Water know  7 that -- even though Grecia never completed the Basic  8 Study Manual Course, how does Real Water know that she  9 never read that statement in the Basic Study Manual  10 Course?  11 <b>A Because there's none of these that she had  12 started, that she started the course.</b>  13 MS. GINAPP: You need to be more specific  14 about what "these" are.  15 THE WITNESS: Check sheet. Sorry.  16 There's no check sheet, Basic Study Manual  17 check sheet, that was started by Grecia proving that  18 she actually started the course.  19 BY MS. BARRAZA:  20 Q Okay. So it's possible she could have been  21 given the course, and she just never filled out any of  22 the check sheet? Is that true, or no?  23 MS. GINAPP: Objection. Calls for  24 speculation.  25 THE WITNESS: It's possible.</p>

<p style="text-align: right;">Page 153</p> <p>1 BY MS. BARRAZA:  2 Q Okay. So explain to me how the second  3 paragraph that you read into the record on page RW-249  4 is not an endorsement of Scientology.  5 MS. GINAPP: Objection. Form. Foundation.  6 THE WITNESS: This document that is not in use  7 is obviously suggesting somebody to do the next course  8 that's there.  9 BY MS. BARRAZA:  10 Q And would that be a Scientology course?  11 MS. GINAPP: Objection. Form. Go ahead.  12 THE WITNESS: Per this document that's not in  13 use, yes.  14 BY MS. BARRAZA:  15 Q Let's go over how it's not in use. Explain to  16 me how this document got produced to us from Real Water  17 if it's not in use.  18 MS. GINAPP: Objection. To the extent it  19 calls for you to disclose attorney/client privilege  20 information, I direct you not to answer that. But  21 otherwise, anything that's not protected as  22 attorney/client communications, you can answer.  23 THE WITNESS: Frank Consiglio, who is not over  24 human resources, nor does he have any responsibility in  25 the course room or knowledge of the operations of, I</p>	<p style="text-align: right;">Page 155</p> <p>1 BY MS. BARRAZA:  2 Q Okay. So there's no document that would  3 verify Real Water is to only use a certain version of  4 the Basic Study Manual?  5 MS. GINAPP: Objection. Form.  6 THE WITNESS: It's generally understood that  7 we use the Hubbard College of Administration and the  8 WISE course materials.  9 BY MS. BARRAZA:  10 Q How is it generally understood if --  11 A <b>Because that's the membership we hold.</b>  12 Q Do you tell the employees that you hold a WISE  13 membership, that Real Water holds a WISE membership?  14 MS. GINAPP: Objection. Asked and answered.  15 THE WITNESS: If they ask, yes.  16 BY MS. BARRAZA:  17 Q If I told you that Frank Consiglio testified  18 that he's not a Scientologist, and he doesn't believe  19 Scientology is a real religion, why would he have a  20 different version of the Basic Study Manual Course  21 which talks about Scientology?  22 MS. GINAPP: Objection. Calls for  23 speculation.  24 THE WITNESS: I'm not sure. I don't know  25 where he got this.</p>
<p style="text-align: right;">Page 154</p> <p>1 believe he had this course. It was his. And he  2 submitted it because, I think, I was out of town at the  3 time.  4 BY MS. BARRAZA:  5 Q So it's Real Water's testimony today that the  6 Basic Study Manual Course in front of you as Exhibit 8  7 was not given to any employees? Is that what you're  8 saying?  9 <b>A Yeah, this isn't the one that was in use.</b>  10 <b>There's different versions of this course. So we use</b>  11 <b>the one that's secular. However, there is a version</b>  12 <b>that does, as you see here, mentions Scientology. It</b>  13 <b>doesn't go into any aspects of Scientology other than</b>  14 <b>to saying the word "Scientology."</b> So there's different  15 <b>versions of the check sheet. This version is not the</b>  16 <b>one we use, but it is one that Frank had, for whatever</b>  17 <b>reason.</b>  18 Q Is there any kind of document that  19 specifically verifies what you're saying, that there's  20 a certain Basic Study Manual Course that Real Water  21 does use?  22 MS. GINAPP: Objection. Form.  23 THE WITNESS: Other than the one that we have  24 on file.  25 ////</p>	<p style="text-align: right;">Page 156</p> <p>1 BY MS. BARRAZA:  2 Q So would you agree with me that this version  3 of the Basic Study Manual Course that we're currently  4 looking at as Exhibit 8 is a non-secular document?  5 MS. GINAPP: Objection. Form. Foundation.  6 THE WITNESS: Yes, I would agree that --  7 actually, no, because it doesn't address spiritual  8 being or the afterlife. I mean, it says the word  9 "Scientology."  10 BY MS. BARRAZA:  11 Q It says that you should now do the further  12 Scientology service; is that correct?  13 <b>A So, I know what you have the objection to, is</b>  14 <b>the word "Scientology," which is what I addressed.</b>  15 <b>Just because there's a word in something -- I mean,</b>  16 <b>people say "God" in their diction on an everyday basis.</b>  17 <b>It doesn't mean that they're discriminating against</b>  18 <b>people that aren't Christian.</b>  19 Q Am I correct that paragraph two is saying,  20 "There is a further Scientology service which you  21 should now do"?  22 MS. GINAPP: Objection. Asked and answered.  23 The document speaks for itself. Argumentative.  24 THE WITNESS: That's what it says right there.  25 ////</p>

<p style="text-align: right;">Page 157</p> <p>1 BY MS. BARRAZA:  2 Q Okay. Just to clarify, there's no actual  3 document which can verify your testimony today that  4 none of the Real Water employees have ever been given  5 this version of the Basic Study Manual Course which  6 includes this end note?  7 MS. GINAPP: Objection. Form. Foundation.  8 THE WITNESS: Not present here.  9 BY MS. BARRAZA:  10 Q Are you aware of any document that exists?  11 A <b>I can't speak to whether or not there is or</b>  <b>not one because I would need to investigate.</b>  13 Q Okay. Well, I'll ask you to investigate that  14 and supplement it if you do find any document.  15 A <b>Uh-huh.</b>  16 Q Let's go on to the next page of this packet --  17 sorry -- page 251. All right. I'll give you a minute  18 to read through that to yourself. Let me know when  19 you're done.  20 A <b>I'm somewhat familiar with it.</b>  21 Q Okay. Explain to me how this specific  22 document is not an endorsement of Scientology.  23 MS. GINAPP: Objection. Form. Foundation.  24 THE WITNESS: This document that's not the one  25 in use in the Real Water course room speaks for itself.</p>	<p style="text-align: right;">Page 159</p> <p>1 Q How do you respond?  2 A <b>It's applied religious philosophy that deals</b>  <b>with different aspects of life and allows you to be</b>  <b>happier and live a better life.</b>  5 MS. GINAPP: I'm going to object to this  6 general line of questions on the grounds that it's  7 outside the scope of the Rule 30(b)(6) notice.  8 BY MS. BARRAZA:  9 Q Is Real Water familiar with any Real Water  10 employees who have converted to Scientology during  11 their time of employment at Real Water?  12 MS. GINAPP: Objection. Form.  13 THE WITNESS: It's not something we keep track  14 of, nor pay attention to.  15 BY MS. BARRAZA:  16 Q So are you aware of any Real Water employees  17 who have converted to Scientology?  18 MS. GINAPP: Are you asking him as the  19 corporate representative or personally?  20 BY MS. BARRAZA:  21 Q I'm asking you personally.  22 MS. GINAPP: Okay. Then I'll object as to  23 this binding the company.  24 THE WITNESS: Not that I'm aware of.  25 ////</p>
<p style="text-align: right;">Page 158</p> <p>1 BY MS. BARRAZA:  2 Q I'm asking you: What is Real Water's position  3 as to this document? Does this document endorse  4 Scientology in any way?  5 MS. GINAPP: Objection. Form. Foundation.  6 THE WITNESS: Is there something wrong with  7 people having their own set of beliefs? Because I feel  8 persecuted for my set of beliefs. I feel like you, in  9 particular, are upset that I have a different set of  10 beliefs. I don't get upset with any of my employees.  11 We don't push the religion on anybody. Nor, do we  12 promote it. This whole thing is -- this whole line of  13 questioning that you're doing is, you're trying to  14 vilify me for my beliefs.  15 BY MS. BARRAZA:  16 Q Are you personally a Scientologist?  17 A <b>I am.</b>  18 Q Do you personally talk about Scientology at  19 all at work?  20 A <b>Not unless someone asks me about it.</b>  21 Q Has anyone ever asked you about it?  22 A <b>Over the many years that I have worked there,</b>  <b>yes, people have asked me about it.</b>  24 Q What kind of things do they ask you about?  25 A <b>"What is it?"</b></p>	<p style="text-align: right;">Page 160</p> <p>1 BY MS. BARRAZA:  2 Q So assuming that this Exhibit 8, the Basic  3 Study Manual Course, is not in use, as you've just  4 testified today, if this packet, if this course,  5 specific course, were in use, would Real Water see fit  6 that page RW-251 would be included?  7 MS. GINAPP: Objection. Calls for  8 speculation. Incomplete hypothetical.  9 THE WITNESS: It's not in use because we don't  10 think it should be.  11 BY MS. BARRAZA:  12 Q You don't think what should be in use?  13 A <b>This course check sheet.</b>  14 Q You're talking about, in general, this whole  15 version of the Basic Study Manual Course?  16 MS. GINAPP: Objection. This isn't the whole  17 version of the Basic Study Manual Course.  18 BY MS. BARRAZA:  19 Q Okay.  20 A <b>It's not the whole version of the Basic Study</b>  <b>Manual Course.</b>  22 Q Why doesn't Real Water think this version of  23 the Basic Study Manual Course is not appropriate to be  24 used?  25 A <b>Because we respect the religious beliefs of</b></p>

<p>Page 161</p> <p>1 others, and we don't want to enforce any other  2 religious -- our religious beliefs on anybody. And so  3 there shouldn't be -- people should feel comfortable in  4 the workplace.</p> <p>5 You know, I've met people that dislike others  6 solely on the basis of religion, not just Scientology,  7 but Christianity -- and, you know, Muslim is a big one  8 in the national stage today. And the workplace should  9 be a place where people feel that they don't have their  10 personal beliefs in question, or it's just not a place  11 for it.</p> <p>12 So based on those viewpoints and those  13 beliefs, that's why we use the other version instead of  14 this version.</p> <p>15 Q Let's go to the next page, starting on 252.  16 I'm let you skim through 252 through 264 just briefly.  17 Is it Real Water's understanding that those  18 pages reflect a list of what's been identified as  19 "Basic Scientology Books"?</p> <p>20 A Looks like it.</p> <p>21 Q Does Real Water have any issue with this list  22 of "Basic Scientology Books" being potentially shown to  23 Real Water employees?</p> <p>24 MS. GINAPP: Objection. Form.</p> <p>25 THE WITNESS: Honestly, I feel like if this</p>	<p>Page 163</p> <p>1 document?</p> <p>2 A I think it speaks for itself. So that's what  3 it looks like.</p> <p>4 Q What's Real Water's position on this list of  5 Scientology churches and organizations?</p> <p>6 MS. GINAPP: Objection. Form.</p> <p>7 THE WITNESS: As an entity, I think it -- you  8 know, obviously, like I said, this is not the one  9 that's in use in the course room. So it's not one that  10 we have in the office. Personally, I think it's pretty  11 benign because, just because it's a list of where a  12 church is doesn't reflect any effort to discriminate  13 against, trying to convert, promote, you know, that  14 they believe a certain belief, or anything like that.</p> <p>15 BY MS. BARRAZA:</p> <p>16 Q Is it Real Water's position that this list in  17 no way promotes Scientology at all?</p> <p>18 MS. GINAPP: Objection. Argumentative.</p> <p>19 THE WITNESS: It obviously in some way tells  20 people where a church is.</p> <p>21 BY MS. BARRAZA:</p> <p>22 Q A Scientology church; correct?</p> <p>23 A Yes.</p> <p>24 Q I know you just testified that this Exhibit 8  25 version of the Basic Study Manual Course is not in your</p>
<p>Page 162</p> <p>1 was shown to an employee, it wouldn't be that big of a  2 deal. If someone had a problem with it, you know, we  3 wouldn't have it in their work area. I have a Bible on  4 my bookshelf in my office, you know, and I have  5 meetings in my office where I bring people in, and I  6 have to go over their job performance, or what have  7 you. If someone said, "Hey, I don't like coming into  8 your office because there's a Bible," I probably would  9 remove the Bible. You know what I mean? But just  10 because this is something that has something to do with  11 a religion, we're not trying to convert people and  12 discriminate against their own religious beliefs.  13 That's not a policy or procedure or effort that we're  14 making.</p> <p>15 BY MS. BARRAZA:</p> <p>16 Q Okay. So on the version of the Basic Study  17 Manual Course that you contend is distributed to  18 employees, is there a list of Scientology books in that  19 version?</p> <p>20 A No.</p> <p>21 Q Okay. Let's go to the next section starting  22 on page 265.</p> <p>23 This looks to be a list of Scientology  24 churches and organizations. Is that Real Water's  25 understanding of the pages that go to the end of this</p>	<p>Page 164</p> <p>1 office, meaning in Real Water's office. But I just  2 want to clarify where this came from, if not the  3 Real Water's office?</p> <p>4 MS. GINAPP: Objection. Asked and answered.  5 Also misstates testimony.</p> <p>6 THE WITNESS: I'll have to further investigate  7 to find out exactly where Frank got this one and sent  8 it in. I have a feeling it might have came from my  9 personal bookshelf or my father's personal bookshelf.  10 But I have to clarify that with him.</p> <p>11 BY MS. BARRAZA:</p> <p>12 Q Do any of these Real Water courses listed on  13 Exhibit 7 talk about suppressive persons?</p> <p>14 A I can't say -- I know there's -- most of the  15 vast majority of these courses do not. However, I know  16 there's one that I don't know if it uses that term or  17 that set of words to describe the concept in that  18 course.</p> <p>19 Q What does a "suppressive person" mean?</p> <p>20 MS. GINAPP: Objection. Form. Foundation.</p> <p>21 THE WITNESS: Per the dictionary, "suppress,"  22 to put down or make less of. "Person" is an  23 individual. So someone that -- putting them  24 together -- someone that has bad intentions for  25 somebody else, or something along those lines.</p>

<p style="text-align: right;">Page 165</p> <p>1 BY MS. BARRAZA:</p> <p>2 Q Where did you personally first hear the term</p> <p>3 "restrictive person"?</p> <p>4 MS. GINAPP: Objection. Form.</p> <p>5 THE WITNESS: Personally?</p> <p>6 MS. GINAPP: And I would also object that it's</p> <p>7 outside the scope of the deposition notice.</p> <p>8 THE WITNESS: I don't recall where I first</p> <p>9 personally heard it.</p> <p>10 BY MS. BARRAZA:</p> <p>11 Q Have you ever heard that term used in a</p> <p>12 Scientology setting?</p> <p>13 A Yeah.</p> <p>14 Q In what way do Scientologists use that term?</p> <p>15 MS. GINAPP: Objection. It's outside the</p> <p>16 scope of the deposition notice.</p> <p>17 THE WITNESS: They use it to describe somebody</p> <p>18 that has malicious intent towards another person or</p> <p>19 group.</p> <p>20 BY MS. BARRAZA:</p> <p>21 Q Is it Real Water's position that the term</p> <p>22 "restrictive person" has no religious undertones</p> <p>23 whatsoever?</p> <p>24 MS. GINAPP: Objection. Outside the scope of</p> <p>25 the deposition notice. Sorry. Also form, in general.</p>	<p style="text-align: right;">Page 167</p> <p>1 (Exhibit 9 marked)</p> <p>2 BY MS. BARRAZA:</p> <p>3 Q I just handed you what's been marked as</p> <p>4 Exhibit 9. I'll represent this is relevant pages from</p> <p>5 what's been disclosed in this litigation from</p> <p>6 Real Water as the "Formulas for Business Success"</p> <p>7 course document.</p> <p>8 A <b>Correct. Looks like that to me.</b></p> <p>9 MS. GINAPP: I'm going to lodge a continuing</p> <p>10 objection to this exhibit on the basis that it's</p> <p>11 incomplete.</p> <p>12 BY MS. BARRAZA:</p> <p>13 Q So this, if I'm correct, is on the list of</p> <p>14 Real Water courses, on the list of optional Real Water</p> <p>15 courses as number 4. Is that also your understanding</p> <p>16 that this is part of the optional Real Water courses?</p> <p>17 A <b>It is an optional course, yeah.</b></p> <p>18 Q Okay.</p> <p>19 A <b>I don't know what number it is -- here it is.</b></p> <p>20 <b>Yep, sure looks like number 4.</b></p> <p>21 Q Okay. Briefly explain to me what "Formulas</p> <p>22 for Business Success" is all about.</p> <p>23 A <b>It kind of goes over the ideas, first, of --</b></p> <p>24 <b>it kind of gives some examples of some larger-scale</b></p> <p>25 <b>events in our history, governments, companies, and the</b></p>
<p style="text-align: right;">Page 166</p> <p>1 THE WITNESS: I don't know where this is</p> <p>2 coming from because we don't have any documentation.</p> <p>3 and we don't promote the term "restrictive person" to</p> <p>4 any of our employees. I think you probably looked</p> <p>5 something up online and thought it might be an avenue</p> <p>6 to investigate.</p> <p>7 But as in any religion, you use language to</p> <p>8 portray ideas. So just because a certain grouping or a</p> <p>9 word is in the Bible, or the Koran, or Vedic's, doesn't</p> <p>10 mean that it has to be and come from that, or it's</p> <p>11 religious.</p> <p>12 So, yes, that term, those two words are used</p> <p>13 in Scientology to describe an idea so it can be</p> <p>14 communicated and understood to somebody else.</p> <p>15 BY MS. BARRAZA:</p> <p>16 Q Can Real Water understand how, if an employee</p> <p>17 sees the term "restrictive person" or hears the term</p> <p>18 "restrictive person" used at Real Water, they could</p> <p>19 potentially associate it with Scientology?</p> <p>20 MS. GINAPP: Objection. Speculation.</p> <p>21 Incomplete hypothetical. Form. Foundation.</p> <p>22 THE WITNESS: Yeah, I think it's -- I don't</p> <p>23 think the common person knows or believes that that's a</p> <p>24 Scientology term.</p> <p>25 MS. BARRAZA: Okay. Let's do this next, 9.</p>	<p style="text-align: right;">Page 168</p> <p>1 <b>different time periods or conditions that they went</b></p> <p>2 <b>through that ultimately either led to their success or</b></p> <p>3 <b>failure. And gives kind of an explanation of the</b></p> <p>4 <b>different types of times or conditions that they were</b></p> <p>5 <b>operating in. And it kind of gives an idea of that.</b></p> <p>6 <b>And then it goes into actually putting names</b></p> <p>7 <b>to those types of conditions that an entity, or a</b></p> <p>8 <b>government, or a person, or what have you, can be in.</b></p> <p>9 <b>And then it gives you certain steps that,</b></p> <p>10 <b>based upon the identification of the specific condition</b></p> <p>11 <b>that you're in, to improve that condition, and</b></p> <p>12 <b>basically do better at whatever that is, whether it's</b></p> <p>13 <b>your personal life, the business, the government,</b></p> <p>14 <b>the -- whatever.</b></p> <p>15 Q Does it talk about communism in this document?</p> <p>16 MS. GINAPP: Objection. Form. Foundation.</p> <p>17 THE WITNESS: I know in the first couple</p> <p>18 pages, it talks about socialism.</p> <p>19 BY MS. BARRAZA:</p> <p>20 Q What does it say about socialism?</p> <p>21 A <b>"Socialism fails, and it always fails, because</b></p> <p>22 <b>of two factors: The government seeks to run the</b></p> <p>23 <b>individual, and; socialism unmucks companies."</b></p> <p>24 Q Do you think that's appropriate to have a</p> <p>25 document given to employees which talks about socialism</p>

<p style="text-align: right;">Page 169</p> <p>1 or communism and whether or not those are good notions 2 to live by?</p> <p>3 MS. GINAPP: Objection. Outside the scope of 4 the Rule 30(b)(6) deposition notice. Form. 5 Foundation.</p> <p>6 THE WITNESS: It obviously clearly doesn't say 7 that socialism and communism are goods ways to live by. 8 So your question was a little bit incorrect there. 9 However, with that correction, I don't feel that it's 10 not inappropriate. If someone did have an issue with 11 it, however -- you know, again, these courses are 12 optional. They don't have to do them. They can skip 13 this one and go on to the next one, or not do them at 14 all, or whatever.</p> <p>15 But, you know, I think the general populous 16 here in America thinks that communism and socialism -- 17 well, we've kind of got an increase in the popularity 18 of socialism and communism recently. But a lot of 19 people don't think that they're very good ways to 20 govern.</p> <p>21 BY MS. BARRAZA:</p> <p>22 Q Let me point to page RW-1110 in this packet. 23 You'll see towards the bottom of this document the term 24 "suppressive person" is defined. So I didn't just pull 25 that term out of nowhere. It actually came from</p>	<p style="text-align: right;">Page 171</p> <p>1 didn't understand what the term was, and so it's kind 2 of just a misunderstanding. And I'd be surprised 3 because it's never really came up. And just because 4 two words are used within a religious, you know, text 5 or work, it doesn't mean that that, those two words 6 solely only mean this religion.</p> <p>7 BY MS. BARRAZA:</p> <p>8 Q Does Real Water understand how some employees 9 might be hesitant to actually complain about some of 10 the text that's in documents that they need to review 11 if they want to get their 25-cent raise?</p> <p>12 MS. GINAPP: Objection. Asked and answered. 13 Calls for speculation. Incomplete hypothetical. Form. 14 Foundation.</p> <p>15 THE WITNESS: I truly believe that the culture 16 we have at our company is one that encourages, if 17 someone has an issue or a problem, that they are 18 welcome to bring it up and have it be addressed in a 19 way that they'll feel good about.</p> <p>20 I take offense to when people are mistreating 21 other employees. You know, just the other week, there 22 was an issue between two employees. And one was -- you 23 know, not to get all into it -- doing -- you know, 24 making fun of the other one, for whatever reasons, and 25 the other one didn't like it, and what have you. And</p>
<p style="text-align: right;">Page 170</p> <p>1 Real Water's documents that they disclosed to us.</p> <p>2 <b>A There we go. Good. We found it.</b></p> <p>3 Q Is it Real Water's position that there's no 4 problem with the term "suppressive person" being in a 5 document that it implements in part of an optional 6 course?</p> <p>7 <b>A No. Again, it's optional. There's no mention 8 of anything religious. It doesn't address somebody as 9 a spiritual being or in the afterlife. And it's solely 10 used in the glossary to explain an idea or a concept. 11 I mean, if you even just take a minute and think -- 12 have you ever been encountered with somebody that just 13 really had it out for you? How did you feel when you 14 were around them? Not very good; right?</b></p> <p>15 Q All right. Moving on: Would Real Water be 16 surprised if an employee indicated that they were 17 offended by seeing the term "suppressive person" 18 because they associate that with Scientology?</p> <p>19 MS. GINAPP: Objection. Form. Foundation.</p> <p>20 THE WITNESS: Me, personally? I would -- 21 yeah, I'd probably be surprised because, one, I've 22 never heard it as an issue or a problem before from 23 anybody. And generally, when I have heard it outside 24 of the workplace said to me in a derogatory, 25 discriminative way towards my beliefs, the person</p>	<p style="text-align: right;">Page 172</p> <p>1 so we made sure that it got addressed, and the person 2 that was doing the insults was corrected. And, you 3 know, I personally talked to the person that was being 4 insulted, and I said, "Look, we don't want you to feel 5 unwelcome here, you need to feel welcome, it's very 6 important that you feel that way."</p> <p>7 So, you know, I honestly don't think that 8 people would feel hindered to bring up an objection, 9 because I've been around this company for a long time 10 I've dealt with interpersonal disputes more than I'd 11 like to, because it usually comes down to something 12 stupid. And I don't want people to feel that way. And 13 I think that my employees, or our employees don't.</p> <p>14 BY MS. BARRAZA:</p> <p>15 Q Is there another version of the "Formulas for 16 Business Success" that's out there that --</p> <p>17 <b>A I'm not sure.</b></p> <p>18 Q So is Real Water prepared to testify today 19 that this version marked as Exhibit 9 is actually part 20 of the Real Water course and given to employees who 21 want to do that course?</p> <p>22 <b>A Yes.</b></p> <p>23 Q Okay. Has anybody ever complained to 24 Real Water about any of the 18 courses listed on the 25 course list?</p>

<p>Page 173</p> <p>1 MS. GINAPP: Objection. Form.</p> <p>2 THE WITNESS: Not that I'm aware of. I don't</p> <p>3 know of any written complaints to where it's gone to</p> <p>4 that degree where they were that offended, or that</p> <p>5 upset, or what have you. But I can't say for any</p> <p>6 verbal objections or, you know, misunderstandings, or</p> <p>7 what have you. But, again, they're optional. So, you</p> <p>8 know, it's not like -- if someone says they don't want</p> <p>9 to do it, it's not like, well, we go, "Well, why don't</p> <p>10 you want to do it?" We just go, "Okay."</p> <p>11 BY MS. BARRAZA:</p> <p>12 Q Was Real Water ever put on notice that Grecia</p> <p>13 had any objection to either the orientation videos or</p> <p>14 any of the optional Real Water courses because she felt</p> <p>15 they were Scientology related?</p> <p>16 A <b>At the time of her employment, no. The first instance of knowledge of her being upset with it was when the lawsuit was filed.</b></p> <p>17 Q In your preparation for today's testimony, did</p> <p>18 you talk to Bonnie Mercado and ask her if Grecia ever</p> <p>19 talked to Bonnie about this and indicated she had</p> <p>20 problems with any of the orientation videos or the</p> <p>21 optional courses?</p> <p>22 A <b>Yeah, I've talked to her about that. And she said that that didn't come up as a major objection or</b></p>	<p>Page 175</p> <p>1 <b>that.</b></p> <p>2 Q Let's go to page RW-1113 in Exhibit 9. Looks</p> <p>3 like this is an "About the Author" section. Is that</p> <p>4 your understanding of it?</p> <p>5 A <b>Uh-huh.</b></p> <p>6 Q Does Real Water have any kind of objection</p> <p>7 with giving its employees a document which talks about</p> <p>8 L. Ron Hubbard, the founder of Scientology, at all?</p> <p>9 A <b>No.</b></p> <p>10 Q Read for me into the record the second</p> <p>11 sentence in the fourth paragraph of that page you're</p> <p>12 on, 1113.</p> <p>13 A <b>"Having traveled wildly through Asia as a youth" -- or -- "widely" -- excuse me -- "through Asia as a youth, he realized that neither East nor West contained the full answer to the problems of existence."</b></p> <p>14 Q Does Real Water understand how some employees</p> <p>15 could read that and interpret that in a religious way?</p> <p>16 A <b>No.</b></p> <p>17 MS. GINAPP: Objection. Form. Foundation.</p> <p>18 THE WITNESS: It doesn't have anything to do</p> <p>19 with religion, spiritual being, or addressing the</p> <p>20 afterlife.</p> <p>21 ////</p>
<p>Page 174</p> <p>1 <b>something that was an issue or a problem that Grecia ever lodged.</b></p> <p>2 Q What about as a minor objection?</p> <p>3 A <b>No.</b></p> <p>4 Q Okay.</p> <p>5 A <b>I mean, she never even did any of the courses. She didn't do it. She watched the videos, and her reviews were, you know, glowing. She said she loved it. But a year and a half later during a political cycle --</b></p> <p>6 Q All right. Did Real Water ever conduct any investigation after receiving notice of this lawsuit to determine whether or not Bonnie Mercado's side of the story is right, that Grecia indeed never did complain at all about any of the videos or any of the courses?</p> <p>7 A <b>Other than -- yes -- reviewing the documentation within Grecia's personnel file, which we've already discussed and gone over; having the conversations with Bonnie and Jeramy, which we've discussed and gone over; and the non-optimum reports, reviewed those. You know, it's kind of too late to call those stores again a year and a half later. That wouldn't have been much use. I reviewed her movie reviews and the different things, the text messages that she sent Bonnie that were threatening, and all</b></p>	<p>Page 176</p> <p>1 BY MS. BARRAZA:</p> <p>2 Q You don't think the "problems of existence" has anything to do with religion at all?</p> <p>3 A <b>No.</b></p> <p>4 MS. GINAPP: Objection. Form.</p> <p>5 BY MS. BARRAZA:</p> <p>6 Q Okay.</p> <p>7 A <b>When you take courses in philosophy in college, are they considered religious courses?</b></p> <p>8 MS. BARRAZA: Let's go to my next exhibit.</p> <p>9 This is 10.</p> <p>10 (Exhibit 10 marked)</p> <p>11 BY MS. BARRAZA:</p> <p>12 Q This document marked as Exhibit 10, I'll represent to you is relevant pages from what has been disclosed from Real Water as the "Speaking from Experience" course.</p> <p>13 MS. GINAPP: I'm going to lodge a continuing objection to this exhibit as incomplete.</p> <p>14 BY MS. BARRAZA:</p> <p>15 Q Okay. Do you recognize the "Speaking from Experience" course?</p> <p>16 A <b>This book, yes.</b></p> <p>17 Q What briefly is this book about?</p> <p>18 A <b>This book is a very concise overview of the</b></p>

<p>Page 177</p> <p>1 management, Hubbard Management Technology. Somebody  2 decided to compile certain parts of this technology and  3 put it into this book format to introduce people to  4 that style of company administration, and policies, and  5 procedures, and -- et cetera.</p> <p>6 Q Is it Real Water's opinion that participating  7 in this "Speaking from Experience" course will help a  8 brand ambassador in his or her duties?</p> <p>9 A Yeah. It goes over one of the policies and  10 procedures that we use as far as evaluating persons'  11 job performance, which is statistics. We actually have  12 them count how many bottles that are sold whether  13 they're in a store, et cetera. And then we use that  14 value for that time, compare it to other times, whether  15 it be for the week, for that specific store. So maybe  16 when they went to that store on the beginning of  17 March -- let's say, as an example -- and then when they  18 returned to that store at the end of March. Did they  19 do better at that store? Did they do worse at that  20 store? That's one example of how the information  21 contained in this book could help a brand ambassador.</p> <p>22 Q Okay. Let's go to page 1312 of Exhibit 10.  23 I'll have you read the last sentence -- I mean -- the  24 first sentence of the last paragraph of that document.</p> <p>25 A "Mr. Hubbard was a man of amazing</p>	<p>1 A "Just Do It" is done by a Christian. I think  2 he's -- I can't remember if he's a Priest, or a Pastor,  3 or a Father, or whatever his term is, or what have  4 you -- but, Art Williams -- you can look him up. He's  5 got a Wikipedia page, and you can probably get it  6 pretty quick.</p> <p>7 Q Is it Real Water's position that the contents  8 of the "Just Do It" video promotes any kind of  9 religion?</p> <p>10 A No.</p> <p>11 Q Is it Real Water's position that the contents  12 of "Just Do It" mentions any kind of religion?</p> <p>13 A No.</p> <p>14 Q Let's review -- just so I can get Real Water's  15 testimony the "Speaking from Experience" document --  16 are there any other versions of the "Speaking from  17 Experience" document out there that Real Water uses?</p> <p>18 A Not -- that Real Water uses? No. I'm sure  19 there's other editions of the book. And if I was to  20 look over the whole time that we've ever had a copy of  21 "Speaking from Experience" on the premise of  22 Real Water, there might have been a different  23 copyrighted version, because, you know, when books are  24 released and they're sold on a continuous basis,  25 there's little things that are changed, and updated,</p>
<p>Page 178</p> <p>1 accomplishment."</p> <p>2 Q Sorry. Continue on to the next sentence.</p> <p>3 A "Although many of his years were spent in the  4 development of Scientology, it was only one facet of  5 his incredible contribution to mankind."</p> <p>6 Q Does Real Water have any objection with this  7 document being in part of the Real Water course that it  8 distributes to its employees for the optional raises?</p> <p>9 A No.</p> <p>10 Q Does Real Water understand how a document  11 which indicates Scientology as an "incredible  12 contribution to mankind" can be seen as imposing  13 religion on to its employees?</p> <p>14 A No.</p> <p>15 MS. GINAPP: Objection. Calls for  16 speculation. Form. Foundation.</p> <p>17 THE WITNESS: I mean, if you follow that logic  18 that you just put across, you're basically agreeing  19 that we -- that one religion should eradicate the other  20 religion. That's not how I feel. I feel you should  21 respect the other religious beliefs of someone else.</p> <p>22 BY MS. BARRAZA:</p> <p>23 Q Now, does Real Water have any kind of  24 documents that it distributes to its employees that  25 mentions other religions besides Scientology?</p>	<p>Page 180</p> <p>1 and what have you. But, no, this looks like the  2 version that we have on our premises.</p> <p>3 Q So it's only the Basic Study Manual which had  4 the list of the Scientology churches, and which  5 indicate you should now participate in Scientology that  6 Real Water is testifying was not part of the course?</p> <p>7 MS. GINAPP: Objection. Form.</p> <p>8 THE WITNESS: Yeah, that check sheet is the  9 only one out of the three that we just reviewed that is  10 not in use at Real Water.</p> <p>11 BY MS. BARRAZA:</p> <p>12 Q Okay. Was it ever in use?</p> <p>13 MS. GINAPP: Objection. Asked and answered.</p> <p>14 THE WITNESS: I think I just realized where it  15 came from.</p> <p>16 MS. GINAPP: Okay.</p> <p>17 BY MS. BARRAZA:</p> <p>18 Q Go ahead. Where do you think it came from?</p> <p>19 A Well, I'd rather verify it before I put it on  20 the record. But I think I just realized where it came  21 from.</p> <p>22 Sorry. Ask your question again.</p> <p>23 Q Was the version that I produced to you as  24 Exhibit 8 ever, ever used as part of the courses?</p> <p>25 A No, not offered through the course room or</p>

<p style="text-align: right;">Page 181</p> <p>1 <b>that program that's in Real Water.</b></p> <p>2 Q All right. I'll ask you to supplement your</p> <p>3 Real Water's written discovery with any kind of</p> <p>4 accurate information that comes about as to which Basic</p> <p>5 Study Manual was implemented.</p> <p>6 <b>A Sure, no problem.</b></p> <p>7 Q Okay. Did Real Water offer its employees the</p> <p>8 opportunity to read "The 10X Club"?</p> <p>9 A <b>It's a book called "The 10X Rule."</b></p> <p>10 Q Okay.</p> <p>11 A <b>We have a term that we use. It's "The 10X</b></p> <p>12 <b>Club."</b> <b>And when someone has read the book, they're in</b></p> <p>13 <b>The 10X Club.</b></p> <p>14 Q When did that program begin?</p> <p>15 A <b>A year ago, something like that.</b></p> <p>16 Q Would it have been before or after October of</p> <p>17 2015?</p> <p>18 A <b>I don't know the exact date. I was trying to</b></p> <p>19 <b>think of that, actually, earlier today. And I would</b></p> <p>20 <b>have to verify when it was, if it was before, or prior</b></p> <p>21 <b>to Grecia working at Real Water.</b></p> <p>22 MS. BARRAZA: Okay. Let's mark this.</p> <p>23 THE WITNESS: But if you have something that</p> <p>24 says, great.</p> <p>25 (Exhibit 11 marked)</p>	<p style="text-align: right;">Page 183</p> <p>1 <b>author.</b></p> <p>2 <b>And, you know, on the practical side, a</b></p> <p>3 <b>company -- it would behoove that company to have their</b></p> <p>4 <b>employees producing more effectively. So if they were</b></p> <p>5 <b>able to produce more effectively by reading this, it's</b></p> <p>6 <b>good for the company. So it should be good for the</b></p> <p>7 <b>employee. They should be compensated and rewarded for</b></p> <p>8 <b>that.</b></p> <p>9 Q Now, are any non-manager Real Water employees</p> <p>10 allowed to participate in The 10X Club and read The 10X</p> <p>11 Rule in order to get the compensation for it?</p> <p>12 A <b>If someone wants to read a book, I am not</b></p> <p>13 <b>going to stop them from reading a book.</b></p> <p>14 Q Would Real Water then, in turn, compensate the</p> <p>15 employee if they completed it within the one week, the</p> <p>16 two weeks, or the three weeks?</p> <p>17 A <b>Uh-huh.</b></p> <p>18 MS. GINAPP: The manager employee?</p> <p>19 MS. BARRAZA: The non-manager employee.</p> <p>20 MS. GINAPP: Oh, the non-manager employee.</p> <p>21 Oh, okay.</p> <p>22 THE WITNESS: Yeah.</p> <p>23 BY MS. BARRAZA:</p> <p>24 Q Okay. It indicates here at the bottom, "Brent</p> <p>25 just orders more copies of the book." I assume that's</p>
<p style="text-align: right;">Page 182</p> <p>1 THE WITNESS: Hey, there we go, October 1st.</p> <p>2 Look at that.</p> <p>3 BY MS. BARRAZA:</p> <p>4 Q Can I assume that the date at the top, October</p> <p>5 1st, 2015, corresponds with the date that this document</p> <p>6 was actually created or distributed?</p> <p>7 A <b>Yeah, somewhere, I'm sure it was around that</b></p> <p>8 <b>time.</b></p> <p>9 Q Now, explain to me -- it says on here, if you</p> <p>10 read "The 10X Rule" within one week, you get \$150;</p> <p>11 within two weeks, you get \$100; within three weeks you</p> <p>12 get \$50. Is that your understanding?</p> <p>13 A <b>Yes.</b></p> <p>14 Q Okay. Why was that system put into place?</p> <p>15 A <b>Well, first, I'd like the record to indicate</b></p> <p>16 <b>that this was for managers, which it explicitly says in</b></p> <p>17 <b>the title of, "New Game, All Managers" --</b></p> <p>18 Q Okay.</p> <p>19 A <b>-- which didn't apply to Grecia because she</b></p> <p>20 <b>was an entry-level employee.</b></p> <p>21 <b>However, we did this because Grant Cardone is</b></p> <p>22 <b>gaining a lot of fame as a motivational speaker, and</b></p> <p>23 <b>being able to give people tools, or viewpoints, or what</b></p> <p>24 <b>have you, to sell better, or live a better life, or</b></p> <p>25 <b>achieve things. He's a motivational speaker and</b></p>	<p style="text-align: right;">Page 184</p> <p>1 referring to Brent Jones; is that correct?</p> <p>2 A <b>Yeah. I believe there's a typo. I think it</b></p> <p>3 <b>was supposed to be, "Just ordered," not "orders," but</b></p> <p>4 <b>"Ordered more copies of the book."</b></p> <p>5 Q Okay. Where did Brent Jones order copies of</p> <p>6 the book from?</p> <p>7 A <b>We usually get them off of Amazon. They sell</b></p> <p>8 <b>a lot of books.</b></p> <p>9 Q Now, we went over how Real Water pays WISE in</p> <p>10 order to get the documents for the optional Real Water</p> <p>11 courses; is that correct?</p> <p>12 A <b>Yes.</b></p> <p>13 Q Okay.</p> <p>14 A <b>And the ability to do so.</b></p> <p>15 Q Okay. Now, does Real Water receive any kind</p> <p>16 of compensation whatsoever from WISE?</p> <p>17 MS. GINAPP: Objection. Asked and answered.</p> <p>18 THE WITNESS: No.</p> <p>19 BY MS. BARRAZA:</p> <p>20 Q When employees fill out the corresponding</p> <p>21 documents for the optional Real Water courses, does</p> <p>22 Real Water send any of those documents back to WISE?</p> <p>23 A <b>No.</b></p> <p>24 Q Does Real Water do anything with those</p> <p>25 documents aside from storing them in the employee's</p>

<p style="text-align: right;">Page 185</p> <p>1 employment file?</p> <p>2 <b>A No.</b></p> <p>3 MS. GINAPP: Objection. Asked and answered.</p> <p>4 BY MS. BARRAZA:</p> <p>5 Q Okay.</p> <p>6 <b>A There's no conspiracy going on.</b></p> <p>7 Q Is it Real Water's position that "The 10X</p> <p>8 Rule" book is a purely secular book?</p> <p>9 <b>A Yes.</b></p> <p>10 Q When did Real Water first become aware that</p> <p>11 Grecia had filed a Charge of Discrimination?</p> <p>12 <b>A When somebody from your office probably</b></p> <p>13 <b>notified the local press and they showed up at our</b></p> <p>14 <b>office, and it was on local news, and national</b></p> <p>15 <b>headlines, and newspapers.</b></p> <p>16 Q So you're telling me local press showed up at</p> <p>17 Real Water's business? Is that what you're saying?</p> <p>18 <b>A Yeah. My father and I were running for</b></p> <p>19 <b>election here in Nevada, elected offices. And it was</b></p> <p>20 <b>three weeks before the election. And someone probably</b></p> <p>21 <b>thought it would be bad press for our election for this</b></p> <p>22 <b>to be coming up.</b></p> <p>23 Q Approximately when was this?</p> <p>24 THE WITNESS: What was the date it was filed?</p> <p>25 MS. GINAPP: Just you have to answer to the</p>	<p style="text-align: right;">Page 187</p> <p>1 (Recess)</p> <p>2 BY MS. BARRAZA:</p> <p>3 Q I've just handed you Exhibit 12. Have you</p> <p>4 ever seen this document?</p> <p>5 <b>A I think -- yeah, I think I've seen it before.</b></p> <p>6 Q When was the first time that you saw it?</p> <p>7 <b>A In preparation for this, maybe within a last</b></p> <p>8 <b>month or so.</b></p> <p>9 Q It looks like this document is filled out by</p> <p>10 Grecia. Is that your understanding?</p> <p>11 <b>A Looks like it, yeah, because she signed it at</b></p> <p>12 <b>the bottom.</b></p> <p>13 Q Looks like it's dated December 15, 2015. Is</p> <p>14 that your understanding?</p> <p>15 <b>A Looks like it.</b></p> <p>16 Q It states within, "The Particulars: I had to</p> <p>17 watch videos during orientation and then take a test</p> <p>18 afterwards. However, the videos I had to watch were</p> <p>19 based upon L. Ron Hubbard and Scientology."</p> <p>20 Now, does Real Water agree or disagree with</p> <p>21 that statement?</p> <p>22 <b>A Disagree.</b></p> <p>23 Q Okay.</p> <p>24 <b>A Because in order for it to be a test, there is</b></p> <p>25 <b>some grading system involved. It was solely a review</b></p>
<p style="text-align: right;">Page 186</p> <p>1 best of your recollection, if you recall.</p> <p>2 THE WITNESS: We didn't look at the original</p> <p>3 Complaint, did we, or filing -- deposition --</p> <p>4 MS. GINAPP: It's not in there.</p> <p>5 BY MS. BARRAZA:</p> <p>6 Q Would you say it would have been earlier this</p> <p>7 year of 2016? Would it have been last year, 2015?</p> <p>8 <b>A It was earlier this year. And it was, I</b></p> <p>9 <b>believe, the day that it was filed, because we hadn't</b></p> <p>10 <b>even been served before the news van showed up at our</b></p> <p>11 <b>office.</b></p> <p>12 Q Okay. Now --</p> <p>13 MS. GINAPP: Just to clarify for the record,</p> <p>14 they were never served with the Charge of</p> <p>15 Discrimination.</p> <p>16 MS. BARRAZA: Okay. Got it.</p> <p>17 THE WITNESS: Oh.</p> <p>18 BY MS. BARRAZA:</p> <p>19 Q Has Real Water ever seen the Charge of</p> <p>20 Discrimination that Grecia filled out with the Nevada</p> <p>21 Equal Rights Commission?</p> <p>22 <b>A I believe somebody has reviewed that, yes.</b></p> <p>23 MS. BARRAZA: We'll mark this Exhibit 12.</p> <p>24 (Exhibit 12 marked)</p> <p>25 (Discussion off the record)</p>	<p style="text-align: right;">Page 188</p> <p>1 <b>that was not graded, so it could not be or understood</b></p> <p>2 <b>as a test. And the videos and mention, which we've</b></p> <p>3 <b>gone over today, are secular and don't have anything to</b></p> <p>4 <b>do with Scientology. Some of them don't even have</b></p> <p>5 <b>anything to do with L. Ron Hubbard.</b></p> <p>6 Q What about her statement that she had to watch</p> <p>7 the videos? Does Real Water agree or disagree with</p> <p>8 that?</p> <p>9 <b>A Well, I'm glad you brought that up because,</b></p> <p>10 <b>obviously, it's -- the hiring procedure is presented in</b></p> <p>11 <b>a fashion of steps to do. For instance, have the</b></p> <p>12 <b>person fill out an application. You know, make sure</b></p> <p>13 <b>it's correct, et cetera. Do the employment agreement.</b></p> <p>14 <b>Do other employment forms. Have them watch this video.</b></p> <p>15 <b>Have them watch that video. Take them around the</b></p> <p>16 <b>office to introduce them to the people in their work</b></p> <p>17 <b>areas. You know, et cetera, step-by-step procedure.</b></p> <p>18 <b>So the person administering the checklist will</b></p> <p>19 <b>basically go through and administer the checklist, and</b></p> <p>20 <b>approach the individual, the new hire, and say, "Okay,</b></p> <p>21 <b>the next thing we're going to do is watch this video."</b></p> <p>22 <b>If they object -- which I can't think of a time anybody</b></p> <p>23 <b>did object, you know, and really didn't want to watch</b></p> <p>24 <b>them -- then it would be fine. But it's by no means</b></p> <p>25 <b>enforced, or made, or pushed on someone that they have</b></p>

<p style="text-align: right;">Page 189</p> <p>1 <b>to watch them.</b></p> <p>2 Q Does Real Water have any kind of policy</p> <p>3 insofar as making sure that its supervisors are writing</p> <p>4 down any instance or reporting any instance where an</p> <p>5 employee does indicate that he or she doesn't want to</p> <p>6 watch any of the orientation videos or participate in</p> <p>7 any of the optional courses?</p> <p>8 <b>A Did you ask if there's a written policy or</b></p> <p>9 <b>procedure?</b></p> <p>10 Q Right. Is there a written policy or</p> <p>11 procedure?</p> <p>12 <b>A I don't believe we have one. But as a general</b></p> <p>13 <b>sort of understanding, you know, the employee files</b></p> <p>14 <b>there is a documented record of that person's</b></p> <p>15 <b>employment history. And if someone did, then I could</b></p> <p>16 <b>see how someone would interpret that purpose of those</b></p> <p>17 <b>employment files that they would write a note saying</b></p> <p>18 <b>they didn't want to watch this, or what have you, maybe</b></p> <p>19 <b>on the checklist itself and say, oh, they refused to</b></p> <p>20 <b>watch this.</b></p> <p>21 Q Have you ever seen any of those notations</p> <p>22 being made?</p> <p>23 <b>A No.</b></p> <p>24 Q Let's go to the next page of this exhibit. At</p> <p>25 the top, it says, "In order to get a 25-cent raise, I</p>	<p style="text-align: right;">Page 191</p> <p>1 <b>done.</b></p> <p>2 Q Does Real Water have any reason to believe</p> <p>3 that Grecia's statement that she complained to</p> <p>4 Ms. Mercado on more than one occasion about the courses</p> <p>5 is inaccurate?</p> <p>6 MS. GINAPP: Objection. Form.</p> <p>7 THE WITNESS: Ask that again, please.</p> <p>8 BY MS. BARRAZA:</p> <p>9 Q Does Real Water have any reason to believe</p> <p>10 that when Grecia states that she complained to</p> <p>11 Ms. Mercado on more than one occasion about the</p> <p>12 Real Water courses, that that statement is not the</p> <p>13 truth?</p> <p>14 <b>A Yes and no. Yes, because based on, of how she</b></p> <p>15 <b>acknowledged in the employment agreement, the proper</b></p> <p>16 <b>procedure for lodging a complaint is to put it in</b></p> <p>17 <b>writing. No document was -- has been found to that</b></p> <p>18 <b>nature. However, I don't personally know Grecia, so I</b></p> <p>19 <b>couldn't be a good judge of her character.</b></p> <p>20 Q Okay. Just to clarify: Real Water never</p> <p>21 received notice of this Exhibit 12 until when?</p> <p>22 <b>A I don't know the exact date when we received</b></p> <p>23 <b>this. I would imagine, because I'm -- at least from my</b></p> <p>24 <b>experience in the past, when something is filed with a</b></p> <p>25 <b>government agency, it's then mailed out after its</b></p>
<p style="text-align: right;">Page 190</p> <p>1 had to read a Scientology book and answer questions to</p> <p>2 Clare."</p> <p>3 It goes on: "I never felt comfortable reading</p> <p>4 books pertaining to religion in order to get a raise.</p> <p>5 However, Brand Ambassador Bonnie Mercado was persistent</p> <p>6 that I read these books pertaining to Scientology. I</p> <p>7 complained to Ms. Mercado on more than one occasion</p> <p>8 that I did not see the purpose of religion being the</p> <p>9 primary reason I do and/or do not get a raise."</p> <p>10 Now, does Real Water agree or disagree with</p> <p>11 those statements?</p> <p>12 MS. GINAPP: Objection. Form. Foundation.</p> <p>13 THE WITNESS: I was unable to find any proof</p> <p>14 that she actually did one of the courses.</p> <p>15 BY MS. BARRAZA:</p> <p>16 Q You're talking about the optional courses?</p> <p>17 <b>A Correct, regarding to the 25-cent raise.</b></p> <p>18 <b>I was never able to find any documentation</b></p> <p>19 <b>proving that she did do any of those courses. So I</b></p> <p>20 <b>object to that based on the -- you know, that there's</b></p> <p>21 <b>no documentation showing that. And she's not</b></p> <p>22 <b>required -- was never required to do it, even if she</b></p> <p>23 <b>did. And as she acknowledged in the employment</b></p> <p>24 <b>agreement, the proper procedure, if she did have a</b></p> <p>25 <b>complaint, was to put it in writing, which was never</b></p>	<p style="text-align: right;">Page 192</p> <p>1 <b>processing to the person it's being filed against, that</b></p> <p>2 <b>we did get a copy, and then sent it to the TotalSource,</b></p> <p>3 <b>which dealt with our employment insurance, et cetera.</b></p> <p>4 Q Does Real Water have any knowledge of</p> <p>5 TotalSource conducting any kind of investigation into</p> <p>6 the allegations of this charge?</p> <p>7 <b>A Yeah, I believe that they did.</b></p> <p>8 Q What were their findings?</p> <p>9 <b>A That she had prior instances of Workers' Comp</b></p> <p>10 <b>claims, et cetera, et cetera, and different things, and</b></p> <p>11 <b>that this is something that they would cover with the</b></p> <p>12 <b>insurance.</b></p> <p>13 Q Now, I want to go back to when you mentioned</p> <p>14 that approximately earlier this year the press showed</p> <p>15 up at Real Water's building and started asking</p> <p>16 questions about this lawsuit; is that correct?</p> <p>17 <b>A Uh-huh.</b></p> <p>18 Q At that point, did anybody from Real Water</p> <p>19 speak to the press?</p> <p>20 <b>A I don't think so.</b></p> <p>21 Q Has anybody from Real Water ever spoken to the</p> <p>22 press about this lawsuit?</p> <p>23 <b>A Yeah. They reached out to us to comment, of</b></p> <p>24 <b>course. And we set up an interview with Channel 13, I</b></p> <p>25 <b>think it was. And an interview of Brent Jones was</b></p>

<p style="text-align: right;">Page 193</p> <p>1   <b>conducted at our office by Channel 13.</b></p> <p>2   Q   What knowledge of this case did Brent Jones 3   talk about at the interview?</p> <p>4        MS. GINAPP: I'll object. Outside the scope 5   of the Rule 30(b)(6) deposition notice.</p> <p>6        THE WITNESS: His belief of the reasoning why 7   it was filed and made sensationalized.</p> <p>8   BY MS. BARRAZA:</p> <p>9        Q   Did Brent Jones do any other interviews, aside 10   from that Channel 13 interview you just mentioned, 11   regarding this lawsuit?</p> <p>12        <b>A   I'm sure he -- I can't speak specifically. I 13   don't know if he did or not. I can't recall if he did 14   or not other than that one.</b></p> <p>15        Q   Okay. Was that one -- would that be 16   considered an interview on behalf of Real Water or on 17   behalf of himself?</p> <p>18        <b>A   Both.</b></p> <p>19        Q   What about any other interviews he's 20   potentially done, would that be both on behalf of 21   himself and Real Water?</p> <p>22        <b>A   I can't speak to those interviews because I 23   don't know the record of them.</b></p> <p>24        Q   Besides Brent Jones doing the Channel 13 25   interview, have you personally done any interviews with</p>	<p style="text-align: right;">Page 195</p> <p>1   company vehicle?</p> <p>2        MS. GINAPP: I'm going to object to this line 3   of questioning as being outside the scope of the Rule 4   30(b)(6) notice.</p> <p>5        THE WITNESS: I don't recall the specific 6   date, but I believe it was a month or two after she had 7   started, somewhere in that range. But I could be 8   wrong, but somewhere in the first half of her 9   employment.</p> <p>10        BY MS. BARRAZA:</p> <p>11        Q   Is it Real Water's position that Grecia's 12   accidents and her subsequent Workers' Compensation 13   claims had anything to do with her termination?</p> <p>14        <b>A   No. We actually adopted a new position for 15   her because of her requests to not have to drive as 16   much as she -- as the position entailed when she was 17   originally hired and agreed to. Originally, she was 18   hired and agreed to the position of traveling out of 19   town by means of car. And she, you know, after the 20   accident, said she didn't want to do that anymore. And 21   we said, "Okay, we will change the position structure 22   to meet your needs."</b></p> <p>23        Q   When did that change in Grecia's position take 24   place?</p> <p>25        <b>A   Well, she got into the accident, and then she</b></p>
<p style="text-align: right;">Page 194</p> <p>1   the press regarding this lawsuit?</p> <p>2        <b>A   No.</b></p> <p>3        Q   What about any other individuals?</p> <p>4        <b>A   Interviews?</b></p> <p>5        Q   Interviews, or anything of this sort that 6   would be a communication with the press?</p> <p>7        <b>A   No.</b></p> <p>8        Q   What about Bonnie Mercado?</p> <p>9        <b>A   She did, I believe -- oh, no -- we -- I don't 10   believe she did. I don't believe she did. We offered 11   Channel 13 if they wanted to interview her, and I don't 12   think they did, if I remember correctly. At least, it 13   wasn't aired.</b></p> <p>14        Q   Now, what knowledge does Real Water have, did 15   Real Water have back in 2015, about Grecia's medical 16   situation?</p> <p>17        MS. GINAPP: Objection. Form. Foundation.</p> <p>18        THE WITNESS: The only knowledge we have was 19   the results of, obviously, the accident that she got 20   herself into in a company vehicle twice; and then 21   subsequent doctor's reports, et cetera, et cetera; and 22   the ongoing investigation to the validity of her 23   continued condition with the Workers' Comp claim.</p> <p>24   BY MS. BARRAZA:</p> <p>25        Q   So when was her first accident with the</p>	<p style="text-align: right;">Page 196</p> <p>1   <b>had some time off, if I remember correctly, medical 2   leave, what have you. And then when she came back to 3   work -- I think she was gone for -- I don't remember if 4   it was two, four weeks, or something. I'm not sure.</b></p> <p>5        Q   Do you know approximately what month that 6   would have been in 2015?</p> <p>7        <b>A   The first half of her employment, somewhere in 8   that range.</b></p> <p>9        Q   Okay. Is Real Water aware of any other kind 10   of medical conditions whatsoever that Grecia had aside 11   from any kind of injury she might have incurred?</p> <p>12        <b>A   Of course not. It's not a policy that we ask 13   people about their personal medical history.</b></p> <p>14        Q   Now, does Real Water have a policy insofar as 15   talking to the media about an employee or a former 16   employee's medical condition?</p> <p>17        MS. GINAPP: I'm going to object. Outside the 18   scope of the Rule 30(b)(6) deposition notice.</p> <p>19        THE WITNESS: Ask the question again.</p> <p>20        BY MS. BARRAZA:</p> <p>21        Q   Does Real Water have a policy about employees 22   talking to the media about a former Real Water employee 23   or a current Real Water employee's medical condition?</p> <p>24        MS. GINAPP: Same objection.</p> <p>25        THE WITNESS: No, there's no written policy or</p>

<p style="text-align: right;">Page 197</p> <p>1 procedure about an employee talking to the press about 2 an ex-employee or current employee's medical history. 3 BY MS. BARRAZA: 4 Q Would that be considered appropriate behavior 5 by Real Water? 6 MS. GINAPP: Objection. Calls for 7 speculation. 8 THE WITNESS: Not necessarily, no. I mean, I 9 think it would kind of depend on the medical problem, 10 or what have you. But I don't see how that ever really 11 come up very much. I mean, we're not a huge company 12 that people want to know why the CEO -- whatever -- you 13 know what I mean? But, generally, no, it's not 14 something that, you know, we would go talking about to 15 individuals about someone's personal information or 16 history. 17 BY MS. BARRAZA: 18 Q All right. Is it Real Water's position that 19 all of the policies and procedures regarding religious 20 discrimination were properly followed in this case? 21 A <b>As far as I can see, yes, because there was 22 never an official complaint per the policy and 23 procedure that Grecia said she would follow, and if she 24 was to encounter any sort of discrimination, religious 25 or other kind. And, you know, so we weren't aware of</b></p>	<p style="text-align: right;">Page 199</p> <p>1 <b>A Actually, I take that back. There is one now 2 currently. At the time, no, but one now. Tony Hart is 3 his name. He's a salesman in California.</b> 4 Q We just talked about people responsible for 5 ensuring employees follow policies and procedures 6 regarding religious discrimination. What steps does 7 Real Water take as a company to ensure that those 8 policies and procedures are being followed? Is there 9 any kind of special training courses that take place? 10 <b>A They're educated as far as the policy and 11 procedure of handling any instance where they feel 12 they're religiously discriminated against when they 13 review and sign their employment agreement. It's very 14 clear on the procedure. And then we have in the past 15 had our human resources individuals do seminars, or 16 different types of things, in not just specifically 17 religious discrimination, but HR topics in general, 18 which I'm sure religious discrimination is one that has 19 come up, as well as sexual, and racial, and all the 20 other types.</b> 21 Q Are there any kind of group training 22 activities that take place? 23 A <b>We've done some, not as, like, a standard, 24 like, we do this every year at this date. But we've 25 done some. I've administered some. And it kind of</b></p>
<p style="text-align: right;">Page 198</p> <p>1 <b>any of these feelings if she had them at the time, 2 until now.</b> 3 Q Who was responsible in 2015 for ensuring that 4 employees follow all the policies and procedures as it 5 relates to religious discrimination? 6 A <b>The first line would be the individual 7 employees themselves, of course. And then the next 8 person that would potentially get involved would be 9 their seniors of that specific employee in a specific 10 instance, or human resources division. And then 11 ultimately, you know, it flows up the corporate 12 structure from there.</b> 13 Q Would it go all the way to the top, to Brent 14 Jones? 15 A <b>Of course, because it encompasses the entire 16 company. And it's everybody's responsibility to make 17 sure that they're not discriminating or being 18 discriminated against.</b> 19 Q How many employees did Real Water have? Would 20 you say it was less than 50 in 2015? 21 A <b>Yes.</b> 22 Q Does that include -- are there any employees 23 outside of Las Vegas, Nevada? 24 A <b>No, not at Affinitylifestyles.com, Inc.</b> 25 Q Okay.</p>	<p style="text-align: right;">Page 200</p> <p>1 <b>just depends, you know, if there's a trouble area, if 2 we have some people complaining about a certain aspect, 3 not religious discrimination specifically, but, you 4 know, people not getting along, or people saying 5 they're not getting along with this person, or 6 whatever. You know, I've pulled some people aside in a 7 given area and say, "Hey, look, you know, we're all on 8 the same team" -- et cetera, et cetera -- "We need to 9 all get along and treat each other with respect." So 10 we've done that time and time as needed when a 11 situation arises.</b> 12 Q Can you think of a specific instance of 13 training involving religious discrimination 14 specifically from 2015? 15 A <b>No --</b> 16 Q Okay. 17 A <b>-- not of the one we discussed, other than the 18 training that goes involved with the procedure that 19 they acknowledge to follow in the employment agreement.</b> 20 Q Now, in addition to the employment agreement, 21 is there also an employee handbook? 22 A <b>Yes.</b> 23 Q Is that also given out and reviewed upon hire? 24 A <b>Yes.</b> 25 Q Are employees given a copy of that employee</p>

<p style="text-align: right;">Page 201</p> <p>1 handbook?</p> <p>2 <b>A Yes.</b></p> <p>3 Q For them to keep for their own records?</p> <p>4 <b>A If they wish to keep it, yes.</b></p> <p>5 Q Okay.</p> <p>6 <b>A More often, people don't really care, and they</b> <b>throw it away, unfortunately. But I can't force people</b> <b>to do something that they don't want to do.</b></p> <p>9 MS. BARRAZA: Let's mark this last exhibit. (Exhibit 13 marked)</p> <p>11 BY MS. BARRAZA:</p> <p>12 Q I have just handed you certain pages from what 13 has been produced by Real Water as the employee 14 handbook.</p> <p>15 <b>A Uh-huh.</b></p> <p>16 Q Okay. Let go to page RW-127.</p> <p>17 <b>A Okay.</b></p> <p>18 Q You'll see there's Section 3.1 on 19 non-discrimination. Am I correct that it does mention 20 religion in here?</p> <p>21 <b>A I see "religion" in the paragraph; correct.</b></p> <p>22 Q Now, there's no mention in this section about 23 L. Ron Hubbard and his teachings; is that correct?</p> <p>24 <b>A In this specific section right here, I do not</b> <b>see it, no --</b></p>	<p style="text-align: right;">Page 203</p> <p>1 <b>A "Reports."</b></p> <p>2 Q So it's Real Water's contention that the word 3 "reports" necessarily means that it needs to be in 4 writing?</p> <p>5 <b>A I think generally. But there is obviously a</b> <b>bit of ambiguity to that term that it could be verbal.</b> <b>But that's why we explain it more -- better in the</b> <b>employment agreement.</b></p> <p>9 Q So if a Real Water employee were to give a 10 verbal complaint to a manager, that manager would still 11 be required to respond to that; right?</p> <p>12 <b>A Absolutely.</b></p> <p>13 Q They wouldn't say, "Well, you didn't put this 14 in writing, so I'm not going to even address this"?</p> <p>15 <b>A No.</b></p> <p>16 Q Okay.</p> <p>17 <b>A If it was egregious enough, and if the person</b> <b>was upset enough, they would probably be encouraged to</b> <b>put it in writing so it could actually be acted upon.</b> <b>Because, you know, when things are brought up casually</b> <b>in a verbal setting, it's not always organized,</b> <b>remembered, thought of, taken care of to the best of a</b> <b>person's ability, or what have you. So that's the</b> <b>whole purpose of having it in writing, so we have, you</b> <b>know, proof that people are going to be held</b></p>
<p style="text-align: right;">Page 202</p> <p>1 Q Okay.</p> <p>2 <b>A -- because --</b></p> <p>3 MS. GINAPP: Just answer the question she 4 asked.</p> <p>5 THE WITNESS: Yeah.</p> <p>6 BY MS. BARRAZA:</p> <p>7 Q If I told you that Real Water has not produced 8 a signed version of the employee handbook signed by 9 Grecia, would that be out of the ordinary?</p> <p>10 <b>A No.</b></p> <p>11 Q Do employees have to sign off on the employee 12 handbook?</p> <p>13 <b>A No.</b></p> <p>14 Q Are they just given a copy for their own 15 records?</p> <p>16 <b>A Yes.</b></p> <p>17 Q Looking at this section on non-discrimination, 18 if you look at the last paragraph, it says: 19 "Employees with questions or concerns about 20 discrimination in the workplace are to bring these 21 issues to the attention of the personnel department. 22 Employees can raise concerns and make reports without 23 fear of reprisal."</p> <p>24 Now, where in there does it clarify that these 25 concerns need to be raised in writing?</p>	<p style="text-align: right;">Page 204</p> <p>1 <b>accountable to make sure that something is investigated</b> <b>properly and resolved.</b></p> <p>3 Q Now, what is Real Water's knowledge of any 4 prior claims of religious discrimination that has been 5 made against Real Water?</p> <p>6 <b>A Can you define "claim"? Because that could be</b> <b>someone saying something, it could be something filed</b> <b>like this.</b></p> <p>9 Q Okay. Let's just say any kind of complaint at 10 all, even if it's not a formal lawsuit, any kind of 11 complaint that was made about religious discrimination 12 taking place at Real Water.</p> <p>13 <b>A I'm not aware of one.</b></p> <p>14 Q Okay. Is Real Water aware of any other former 15 lawsuits?</p> <p>16 <b>A There's, you know, been threats made by other</b> <b>people and demands for payment.</b></p> <p>18 Q Who else has made threats to Real Water?</p> <p>19 <b>A Lisa Marie Bailey and Matthew Nappi.</b></p> <p>20 Q Is Real Water aware of any kind of religious 21 discrimination that took place regarding those two 22 individuals?</p> <p>23 MS. GINAPP: I'm going to just enter an 24 objection right now that, of course, we can't stop you 25 from asking questions about those lawsuits. But please</p>

<p style="text-align: right;">Page 205</p> <p>1 be aware that, to the extent that you ask in-depth 2 questions about it, we will seek a protective order 3 against further questioning of my client regarding 4 those matters and subsequent litigation.</p> <p>5 THE WITNESS: I'm not aware of any claims, 6 written or verbal, brought up at the time of those two 7 employees' employment.</p> <p>8 BY MS. BARRAZA:</p> <p>9 Q What about besides Lisa Marie Bailey and 10 Matthew Nappi, anybody else make any threats to 11 Real Water?</p> <p>12 A <b>I'm not aware of it.</b></p> <p>13 Q What about subsequent to Grecia's termination, 14 have there been any subsequent complaints about 15 religious discrimination at Real Water?</p> <p>16 A <b>Nothing that we haven't already addressed.</b></p> <p>17 Q Now, that employee handbook we've been looking 18 at --</p> <p>19 MS. GINAPP: Exhibit 13?</p> <p>20 BY MS. BARRAZA:</p> <p>21 Q -- Exhibit 13, has that been given to ADP? 22 Are they aware of that employee handbook?</p> <p>23 A <b>I believe so, yes.</b></p> <p>24 Q Okay. Did ADP ever provide any kind of 25 feedback, or want Real Water to make any kind of</p>	<p style="text-align: right;">Page 207</p> <p>1 <b>procedure of what someone does and goes through to hire</b> 2 <b>an employee -- it's in the paperwork, and then</b> 3 <b>obviously the videos. So it's not proposed to the</b> 4 <b>individual as, "Here's this video, you have the option</b> 5 <b>to watch it or not."</b> It's, "Okay, the next thing we're 6 <b>going to do is we're going to watch these videos."</b> And 7 <b>they sit down, and they watch them, or they -- if they</b> 8 <b>really have an issue -- which I can't recall a time</b> 9 <b>that anybody ever has -- they say, "No, I don't want to</b> 10 <b>watch this, I really don't want to watch this," okay,</b> 11 <b>then it's not going to -- we're not going to force them</b> 12 <b>into the chair and hold their eyelids open to watch the</b> 13 <b>video.</b></p> <p>14 Q Then why hasn't Real Water ever put anything 15 in writing, you know, telling the employees, "Hey, 16 these orientation videos aren't required, required," 17 meaning you're not going to get fired if you don't want 18 to do these videos?</p> <p>19 MS. GINAPP: Objection. Argumentative.</p> <p>20 THE WITNESS: It's never been an issue. No 21 one has ever objected to it.</p> <p>22 BY MS. BARRAZA:</p> <p>23 Q Okay. After we go off the record after your 24 counsel has gone over any of her questions, I'm going 25 to ask you to provide --</p>
<p style="text-align: right;">Page 206</p> <p>1 changes to its employee handbook?</p> <p>2 A <b>There was -- obviously, something like this</b> 3 <b>can go through revisions as laws change, state and</b> 4 <b>federal. You know, we do live in a fluid society in</b> 5 <b>that regard, so there are revisions that are made.</b> 6 <b>This specific exact one, I can't tell you if there's</b> 7 <b>ever been any changes made without going through and</b> 8 <b>reviewing, you know, all of them.</b></p> <p>9 Q Okay.</p> <p>10 A <b>But I do know that this was, you know, sent</b> 11 <b>over to ADP TotalSource, and I'm sure they reviewed it.</b> 12 <b>And nothing is perfect, so I'm sure they had some</b> 13 <b>suggestions on certain things, or what have you. But</b> 14 <b>for the most part, there was nothing that bad with it,</b> 15 <b>if I remember correctly.</b></p> <p>16 Q Let me just make sure, as we're beginning to 17 wrap up, is there anything that we've covered that you 18 think you need to clarify for the record?</p> <p>19 A <b>The only thing, which we kind of already</b> 20 <b>touched on it a bit, but we can just go over it again,</b> 21 <b>is, the requirement or option to view the videos. You</b> 22 <b>know, my definition of "require" would mean that if a</b> 23 <b>person doesn't choose to watch the videos, then they're</b> 24 <b>fired immediately. We don't do that. If -- again,</b> 25 <b>it's in the hiring checklist as a step-by-step</b></p>	<p style="text-align: right;">Page 208</p> <p>1 THE WITNESS: Now I have to answer your 2 questions?</p> <p>3 BY MS. BARRAZA:</p> <p>4 Q -- I'm going to ask you to provide me with the 5 contact information you have in your phone for Melissa 6 Nava, Christian Pantelakis, and Clare LaHara.</p> <p>7 MS. GINAPP: I'm sorry. Did you testify that 8 you have their information in your phone?</p> <p>9 THE WITNESS: I don't think I do, no.</p> <p>10 BY MS. BARRAZA:</p> <p>11 Q Okay. You do have their contact information?</p> <p>12 A <b>I have what was on file when they were</b> 13 <b>employed.</b></p> <p>14 Q Okay. So I'll ask you to look through that 15 and produce that information to us in our discovery 16 process.</p> <p>17 MS. BARRAZA: I'll pass the witness.</p> <p>18 MS. GINAPP: Okay. Would you mark that?</p> <p>19 (Exhibit 14 marked)</p> <p>20 EXAMINATION</p> <p>21 BY MS. GINAPP:</p> <p>22 Q Will you please take a look at what has been 23 marked as Exhibit 14? When you're ready to answers 24 questions about it, let me know.</p> <p>25 A Okay.</p>

<p style="text-align: right;">Page 209</p> <p>1 Q Okay. Do you recognize this document?    2 A Yes.    3 Q What do you recognize it to be?    4 A <b>The Basic Study Manual Course check sheet and</b>  <b>5 pages to write the answers to the different questions,</b>  <b>6 and what have you, throughout the course, and the one</b>  <b>7 that we use at Real Water.</b>    8 Q The one that you use at Real Water?    9 A Yes.    10 Q The one that you use with your employees for    11 the coursework?    12 A <b>Correct.</b>    13 Q How do you know that this document is that?    14 A <b>Because it's been secularized. There's no</b>  <b>15 mention of Scientology. There's none of that.</b>    16 Q Are you familiar with the copy that you use --    17 A Yes.    18 Q -- that Real Water uses?    19 A Yes.    20 Q Is this a copy of that document that    21 Real Water uses for its employees?    22 A Yes.    23 Q Is it a complete copy of that document that    24 Real Water uses for its employees?    25 A <b>Seems to be.</b></p>	<p style="text-align: right;">Page 211</p> <p>1 A <b>Yeah, exactly, at least part of it because</b>  <b>2 it's not full.</b>    3 MS. GINAPP: Okay. Those are all the    4 questions I have.    5 MS. BARRAZA: I don't have anything.    6 (Thereupon, the deposition concluded at 5:00 p.m.)    7    8    9    10    11    12    13    14    15    16    17    18    19    20    21    22    23    24    25</p>
<p style="text-align: right;">Page 210</p> <p>1 Q What do you base that belief upon?    2 A <b>It's got the check sheet form. It's got all</b>  <b>3 these other pages for the essays, and that type of</b>  <b>4 thing. And then it has the final essay question at the</b>  <b>5 end, which is the one I generally look at when I'm</b>  <b>6 reviewing these types of courses.</b>    7 Q All right. That's all the questions I have on    8 that.    9 Real quick, regarding handbooks, was    10 Real Water provided with a handbook from ADP?    11 A <b>They gave us some suggestions and things to be</b>  <b>12 able to, you know, have an adequate handbook. And we</b>  <b>13 together came up with the final version of it. But</b>  <b>14 they did provide us with, you know, one that they kind</b>  <b>15 of used as a template for other companies, and that</b>  <b>16 type of thing.</b>    17 Q Have you ever used it -- handed out that    18 handbook to your employees?    19 A <b>The final version that we kind of together</b>  <b>20 came to consensus of, yes.</b>    21 Q Is Exhibit 13 at least portions of the final    22 version that you handed out?    23 A <b>Yeah, it looks like it's at least some of it.</b>    24 A <b>Again, I don't know these handbooks word-for-word.</b>    25 Q Okay. But it looks like the one that you --</p>	<p style="text-align: right;">Page 212</p> <p>1 CERTIFICATE OF WITNESS    2 PAGE LINE CHANGE REASON    3 _____    4 _____    5 _____    6 _____    7 _____    8 _____    9 _____    10 _____    11 _____    12 _____    13 _____    14 _____    15 _____    16 _____    17 _____    18 * * * *    19 I, BLAIN JONES, witness herein, do    20 hereby certify and declare under penalty of perjury the    21 within and foregoing transcription to be my deposition    22 in said action; that I have read, corrected and do    23 hereby affix my signature to said deposition.    24 BLAIN JONES DATE    25</p>

1 CERTIFICATE OF REPORTER  
2 STATE OF NEVADA )  
3 ) ss:  
4 COUNTY OF CLARK )  
5 I, Mary Cox Daniel, a Certified Court  
Reporter licensed by the State of Nevada, do hereby  
certify:  
6 That I reported the deposition of BLAIN  
JONES, commencing on Thursday, October 20, 2016, at  
7 9:58 a.m.

8 That prior to being examined, the  
witness first duly swore or affirmed to testify to the  
truth, the whole truth, and nothing but the truth; that  
I thereafter transcribed my said shorthand notes into  
10 typewriting and that the typewritten transcript is a  
complete, true and accurate record of testimony  
provided by the witness at said time.

11 I further certify (1) that I am not a  
12 relative or employee of an attorney or counsel of any  
13 of the parties, nor a relative or employee of any  
14 attorney or counsel involved in said action, nor a  
15 person financially interested in the action, and (2)  
that pursuant to Rule 30(e), transcript review by the  
witness was requested.

16 IN WITNESS WHEREOF, I have hereunto set  
17 my hand in my office in the County of  Clark, State of  
Nevada, this 26th day of October, 2016.

*Mary Cox Daniel*

18 MARY COX DANIEL, CCR 710, FAPR, RDR, CRR  
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